VIEWPOINTS 2000

Labour-Management Relations in Canada: Trends and Impacts

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Canadian Labour and Business Centre
Viewpoints 2000

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Thematic Highlights of the Canadian Labour and Business Centre's *Viewpoints 2000*

In a biennial survey that began in 1996, the Canadian Labour and Business Centre surveys labour and management in the private and public sectors to identify their current perceptions on the state of labour-management relations in Canada, and to track the factors underpinning these perceptions as they evolve over time.[1] Each survey asks questions concerning the state and impact of labour-management relations at different levels of interaction (i.e., workplace, industry and economy-wide) in Canada.[2]

The health of the relationship between management and labour has a very real impact on the economic and social well being of all Canadians. The state of this relationship affects economic performance at different levels of the economy. The interactions between management and labour may be quite different at the various levels, from individual workplaces to industry sectors to the national economic environment and labour market. Still, the labour-management relationship can affect both policy and practices, with positive or negative consequences on the lives of workers and the performance of organizations.

Viewpoints 2000 was conducted during a period of improved economic conditions. Employment was up; unemployment levels had decreased.

In the private sector, both companies and unions seem to have digested and adjusted to the wave of economic and industrial restructurings, layoffs and downsizing, and workplace reorganizations that had dominated their environment in the early years of the past decade. Similarly, in the public sector, the restructuring and fiscal restraint of the past few years has started to ease.

Within this context, management and labour are concerned less about job shortages and more about skills shortages and related recruitment and retention issues. People are also increasingly preoccupied with "healthy workplace" issues such as stress levels, morale, and work-family balance.

The analysis of Viewpoints 2000 highlights several important findings with respect to labour-management relations in Canada.

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[1] Viewpoints 2000, conducted by the Canadian Labour and Business Centre between March and April 2000, was sent to 4442 private and public sector management and union leaders. The total number of responses was 790, or an 18 percent response rate, which is in line with surveys of this type.

[2] Each survey also asks a range of questions relating to labour and management perceptions of the challenges facing the Canadian economy, trends in the nature of work and work organization, and related areas of work This report is the third in a series of analyses of the 2000 survey. For information concerning the other Viewpoints 2000 reports (The Healthy Workplace and Issues and Solutions), (as well as 1998 survey reports) visit our Web site www.clbc.ca

1. ***Evidence suggests there has been a marked improvement in labour-management relations in the public sector over the last two years, and a stabilization of relations in the private sector.***

The 1998 survey found that labour and management perceptions were most divergent within Canada's public sector. While labour-management relations still appear to be better in the private sector (at the industry and workplace levels) than in the public sector, the last two years have seen a marked improvement in labour-management relations from both a public sector management and labour perspective. This is evident particularly at the industry and economy-wide levels. The perceived improvement in the public sector was greater than the perceived improvement in the private sector. As a word of caution, *such a trend does not deny that significant relationship issues and points of conflict continue to exist in the public sector.*

2. ***Labour's overall view of labour-management relations continues to be consistently more negative than that of management.***

On virtually every aspect of Canadian labour-management relations, labour expressed a more negative view than management. This applied to the state of labour-management relations in 2000; to changes in relations over the past two years; to the effects of labour-management relations on economic performance; and to the expected evolution of labour-management relations over the next two years. The consistency of these views over time indicates a continuing unease, and suggests the need for improved communications between the constituencies.

3. ***The impacts of current labour-management relations on workplace indicators are generally still seen as negative by both labour and management.***

The overall net effect of current labour-management relations on most aspects of workplace performance continues to be viewed as more negative than positive by the leaders of labour and management in both the private and public sectors in Canada. Labour leaders in both the private and public sectors were more negative in their assessment of the effects on workplace performance than their management counterparts. Public sector respondents in both labour and management generally have more negative assessments than their counterparts in the private sector.

4. ***Labour, both in the private and the public sector, clearly thinks that the state of the labour-management relationship influences key workplace performance indicators more than does management.***

While both management and labour identify specific performance indicators that, in their opinion, are affected by the state of labour-management relations, it is labour respondents in particular who consider the state of labour-management relations an important factor in workplace and economic performance.

This is borne out by labour's more negative perceptions of the impact of the current labour-management relationship across a range of workplace performance indicators: morale, costs and productivity, employee turnover, innovation, job security, quality, training, job creation and investment.

On the Radar Screen

It is worrisome that labour seems to attach more importance to the labour-management relationship than does management. When the relationship is good, labour is more positive and has higher expectations than management; and when the climate is poor, labour's expectations seem to plummet more deeply.

In another section of the Leadership Survey, which asked labour and management to identify and rank the indicators of a healthy workplace[3], seventy percent of management and labour leaders agreed that the principal indicators of a healthy workplace are good working relationships and high morale.

Both labour and management are apparently making the link -- although to differing degrees -- between the current state of labour-management relations, and critically important issues such as morale, job security, training, skills shortages, recruitment and employee turnover.

Just as new-economy factors are changing the way we define a healthy workplace, forces such as globalization, technology, new forms of work organization, and competition for skilled workers are bringing labour and management to re-define the parameters of their relationship. At the same time, both parties are at least tacitly recognizing that the state of their relationship -- good or poor -- has a real impact on the health of their workplace, on economic performance and productivity, and ultimately, on the social and economic well-being of all Canadians.

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[3] "The Healthy Workplace" survey results were released in June, 2000 and are available in Executive Summary on the Web site, www.clbc.ca (Viewpoints 2000)

Labour-Management Relations in Canada: Trends and Impacts

Analysis of the Canadian Labour and Business Centre's *Viewpoints 2000*

I. Current State of Labour–Management Relations

Private and public sector respondents to the Canadian Labour and Business Centre survey were asked their views on the current state of labour-management relations at three levels – the workplace level, the industry level and the economy-wide level. Their responses were recorded in five categories ranging from 'very poor' to 'very good.' Chart 1 shows the proportion of respondents in each constituency who rated the current state of labour-management relations as 'acceptable' or better.

It is clear from Chart 1 that private and public sector managers perceive the current state of labour-management relations more positively than their labour counterparts. This more positive perception on the part of management, relative to that of labour, applies across the three levels of the Canadian economy.

As in earlier surveys the 2000 survey found that management, particularly in the private sector, has a more positive view of labour-management relations at lower levels of aggregation, i.e. the company and workplace level. Public sector management has the most positive view at the workplace level, but the least positive view at the industry level. This highlights an important difference between the public and private sectors.

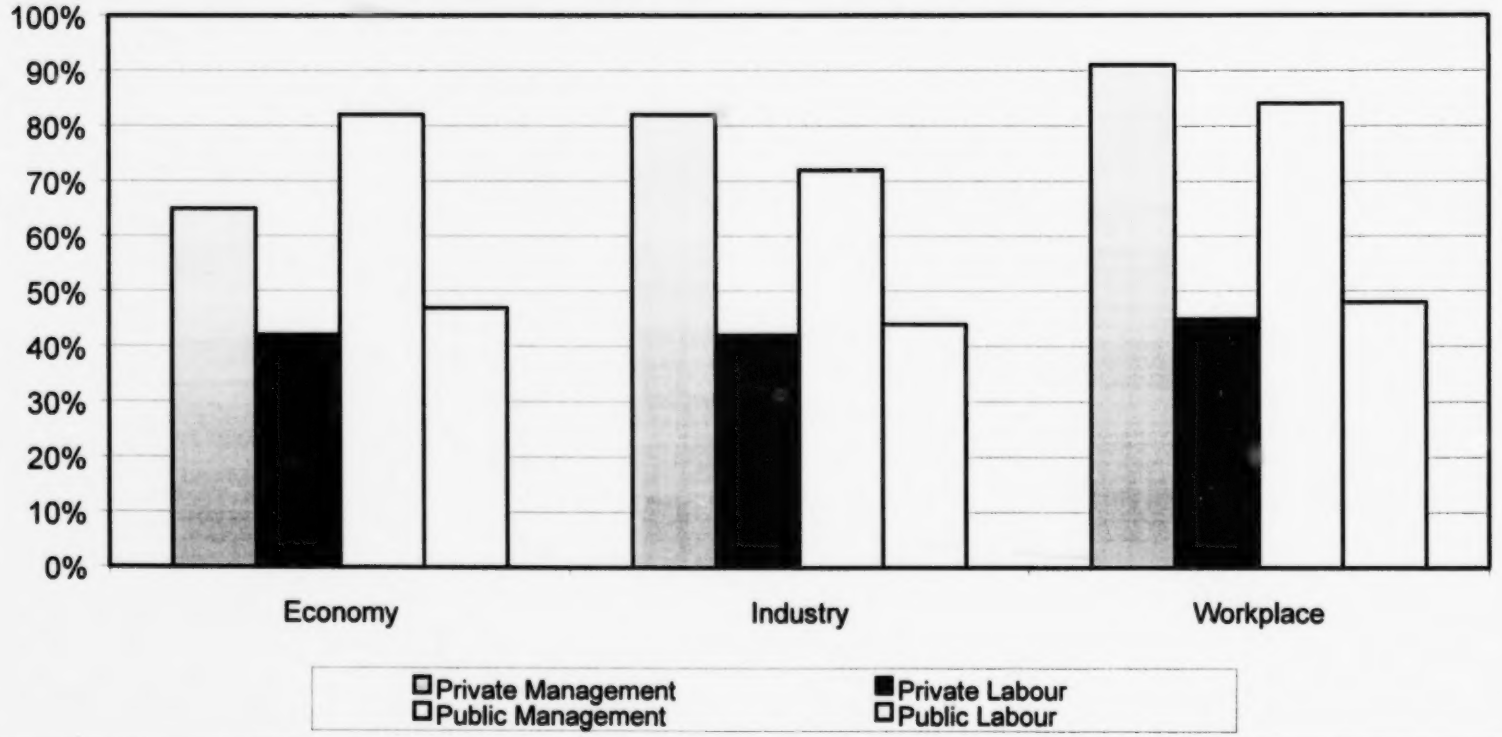
In the private sector, collective bargaining often takes place at the local (i.e., workplace) level, which is also where working relationships are developed. Hence in the private sector there is an opportunity for positive working relations to influence collective bargaining relations at the workplace level. In the public sector, however, collective bargaining generally occurs at the industry level, which is not the level at which working relationships are developed. Thus there may be a "disconnect" which may prevent good working relationships from influencing collective bargaining in the public sector.

Compared to management, the views of labour leaders in both the public and private sectors on the state of labour-management relations are uniform across the economy-wide, industry and workplace levels.

Finally, a comparison of private and public sector responses shows that, at the industry and workplace levels, private sector management is more positive than public sector management in their view of the current state of labour-management relations. Labour leaders in the public sector are somewhat more positive than their private sector counterparts, though the differences are not significant.

Chart 1: Ranking of Labour-Management Relations

(Percent who ranked relations as acceptable or better)



II. Changes in Respondents Perspectives, 1996 –2000

Charts 2a to 2c show how the perceptions of Canadian Labour and Business Centre survey respondents on labour-management relations have changed over the period 1996-2000, at the three different levels. At the economy level, public sector management and labour exhibited the same trends since 1998, that is, a sharp increase in the proportion that view current labour-management relations as acceptable. This is in contrast to the views over the 1996-1998 period, where public sector management and labour had opposing perceptions of how labour-management relations had changed.

In the private sector, the trend lines for management and labour views have followed a similar pattern to that of the public sector, rising from 1996 to 1998, and then remaining steady since that time. This implies that labour and management in the public sector perceive that labour-management relations have improved at the economy-wide level, while private sector perceptions indicates a stabilization of views concerning the relationship since 1998.

At the industry level, most survey respondents indicated a marked improvement in the state of labour-management relations over the 1996-2000 period, despite a slight perceived worsening in 1998. The exception in this case is private sector labour leaders, who see only a slight improvement in their labour-management relationship.

At the company/workplace level, private and public sector management see no improvement in the state of labour-management relations over time. However, the level of those indicating that relations were acceptable or better in the first place is very high (91 percent for private sector business). Among labour leaders, private sector respondents perceive no change in the relationship, while public sector labour leaders perceive a marked improvement in the state of labour-management relations at the workplace level.

What is striking about the 2000 survey results, as compared with the 1998 survey results, is the improvement in the perceptions of public sector labour leaders about the state of the labour-management relationship at all levels. The 1998 survey indicated that public sector labour respondents saw labour-management relations as deteriorating. While these trends are encouraging there is still a large gap between management and labour views in the public sector and many issues remain to be resolved.

Chart 2a: Change in Labour-Management Relations 1996-2000: Economy Wide

(Percentage responding that state of relations is acceptable or better)

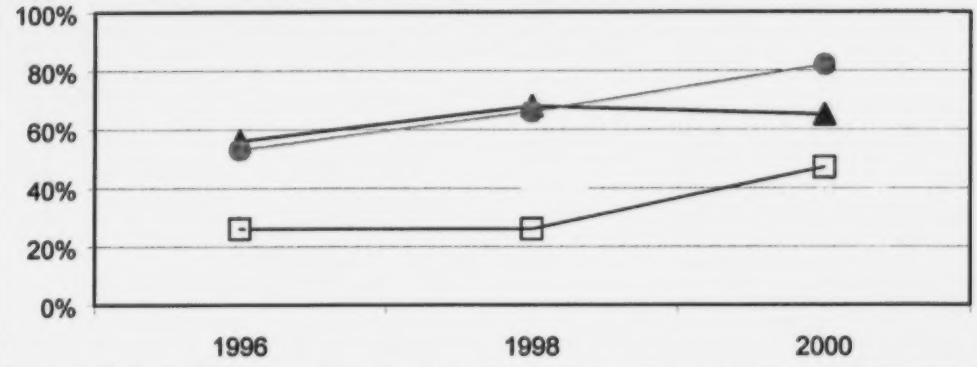


Chart 2b: Industry Level

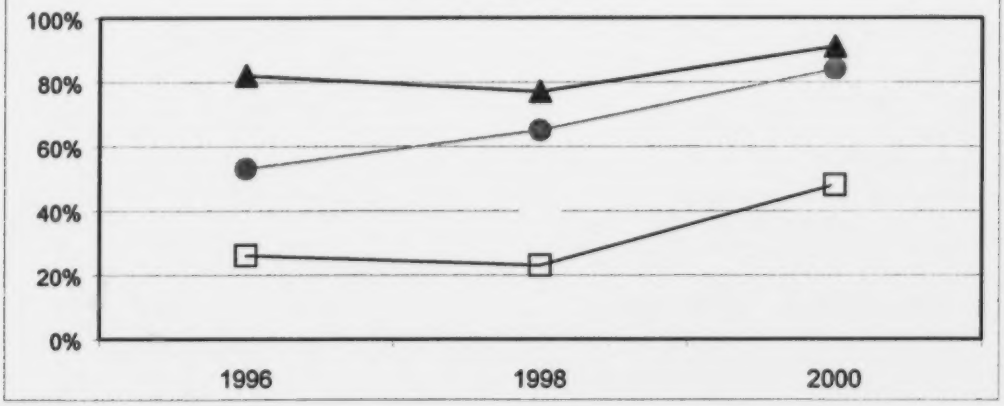
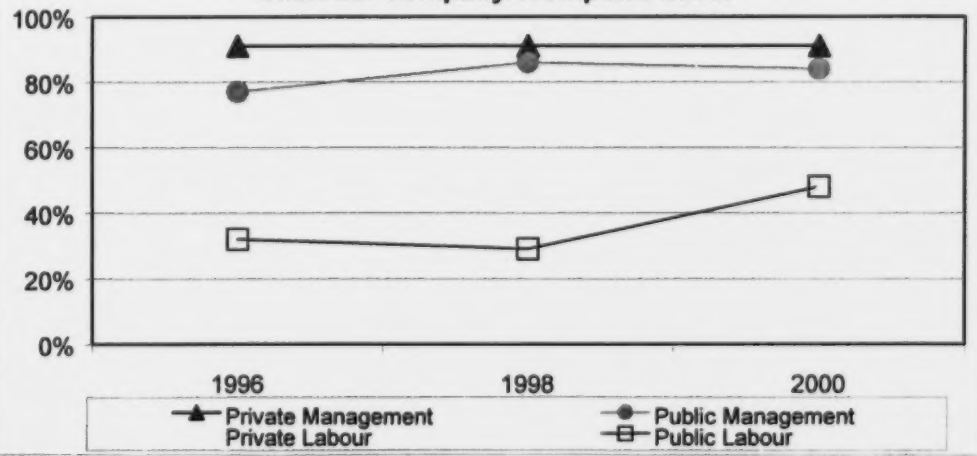


Chart 2c: Company/Workplace Level



III. Impact of Current Labour-Management Relations on Indicators of Workplace Performance

A: Overall Analysis

Canadian Labour and Business Centre survey respondents were asked their views on the impact of the current state of labour-management relations on various aspects of Canadian workplace performance. Their responses were recorded in five categories ranging from 'very negative' to 'very positive'. The percentage who indicated a positive impact and the percentage indicating a negative impact for the different workplace performance indicators are displayed in Chart 3 for labour and management overall.

The indicators in Chart 3 are ranked by the negative responses of labour leaders, with the most negative at the top. Thus the largest percentage of labour leaders indicated that current labour-management relations had a negative impact on morale, while the smallest percentage noted a negative impact on investment.

As in the earlier Canadian Labour and Business Centre Leadership Surveys (1996 and 1998), the impact of current labour-management relations on most aspects of workplace performance continues to be viewed more negatively by labour leaders than by management (the negative bars in chart 3 are longer among labour leaders than they are for managers).

The most interesting finding illustrated by the chart is that labour and management agree on which workplace indicators are most negatively impacted by the current state of labour-management relations: morale and costs and productivity. Overall, 73 percent of labour leaders and 44 percent of management leaders believed the current state of labour-management relations had a negative impact on morale. Similarly, 60 percent of labour leaders and 47 percent of managers agreed that the impact of current labour-management relations on costs and productivity was negative. In other words, management and labour agree that the major casualties of a bad labour-management relationship are worker morale and costs and productivity.

Charts 4a and 4b repeat the analysis of chart 3 for the private and public sectors respectively. The two charts confirm that for the majority of private and public sector respondents, costs and productivity and morale are the two workplace indicators most negatively affected by the current state of labour-management relations. Only among private sector labour did this pattern vary somewhat; for these respondents morale was the most negatively-affected indicator while costs and productivity was ranked fourth.

It is worth noting the very large difference between labour and management views in the public sector regarding the impact of current labour-management relations on job security. Thirty five percent of managers believed current labour-management relations had positively affected job security but only 12 percent of labour leaders agreed with them. By contrast, 56 percent of labour leaders thought that the impact on job security was negative – a view shared by only 24 percent of management. There are also significant differences between management and labour regarding the impact of current labour-management relations on turnover, although these are less marked than those for job security.

These quite different perceptions may reflect labour and management's differing views of the impact of the restructuring and downsizing that has occurred on job security. Labour leaders may remain to be convinced that their members' job security has been enhanced in this way.

Comparing the private and public sectors, charts 4a and 4b indicate that higher proportions of public than private sector respondents report negative impacts on workplace indicators from the current labour-management relationship. This is true for all indicators among labour leaders and for over half the indicators among managers. The larger negative responses would appear to reflect the notion that the public sector has continuing problems despite the improvements in the labour-management relationship noted in section II. The differing views on job security would suggest one area of concern, while the high negative impacts on morale and costs and productivity indicate others.

Chart 3: Impacts of Current Labour Management Relations on Workplace Performance

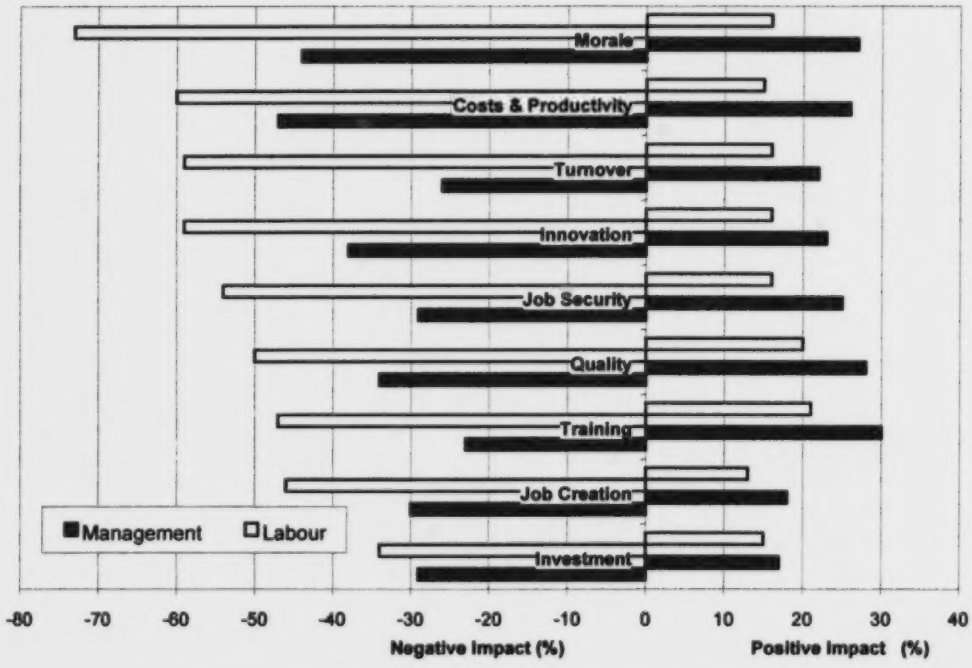


Chart 4a: Impacts of Current Labour Management Relations on Workplace Performance: Private Sector

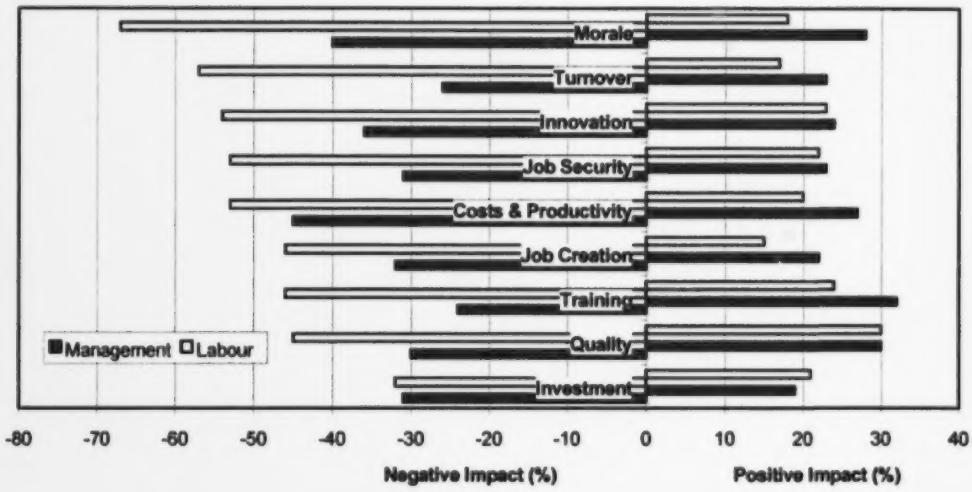
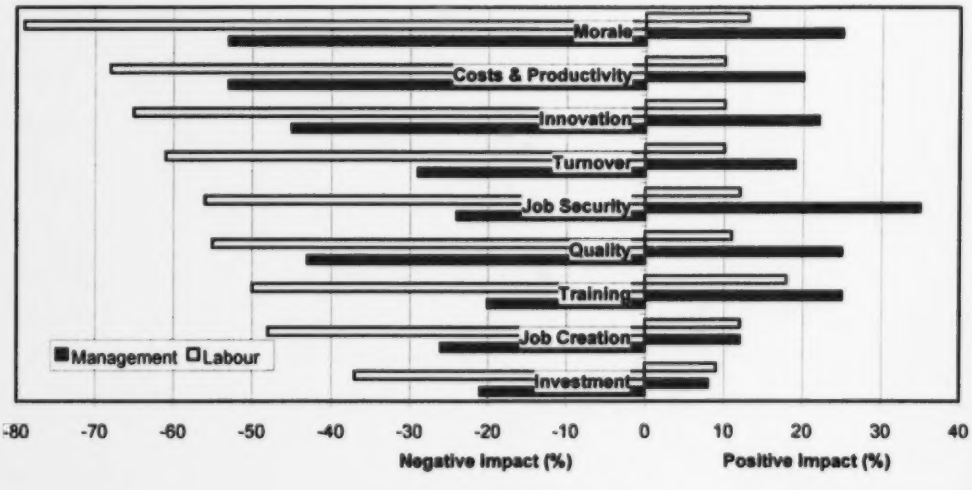


Chart 4b: Impacts of Current Labour Management Relations on Workplace Performance: Public Sector



B: Detailed Analysis

Charts 3, 4a and 4b analyzed the perceived impacts on workplace performance of the current state of labour-management relations. However the current state of labour-management relations can be either "good" or "poor". In order to provide a clearer picture of the perceived impact of a given state of labour-management relations on workplace indicators, the respondents were separated into two sub-samples: those who perceived labour-management relations as being good and those who viewed them as poor.

These two groups' perceptions are shown in Charts 5a and 5b. Chart 5a shows the perceived impact on workplace indicators among those who see labour-management relations as good; Chart 5b shows the similar impacts for those who viewed labour-management relations as poor.

The two charts reveal important differences. It is clear that those respondents who view labour-management relations as good also consider these relationships make a large positive contribution to all indicators of workplace performance. The opposite holds for those who view labour-management relations as poor. Thus good labour-management relations are seen by both labour and management as enhancing workplace performance; poor relations inhibit it.

Furthermore labour generally attaches more importance than management to the impact of labour-management relations on workplace performance. Labour is more positive than management on the impacts of workplace indicators when labour-management relations are good. Conversely labour believes the negative impacts of poor labour-management relations on workplace indicators are greater than what management believes the impacts are. Consequently labour has stronger perceptions than management on the impacts on workplace indicators and clearly sees labour labour-management relations as a more important determinant of workplace performance than does management.

Looking at the specific aspects of workplace performance most affected by labour-management relations is also quite revealing. Within a given sub-sample, - "good" or "poor" – there is a significant amount of agreement among management and labour on the perceived impacts of the state of labour-management relations on specific aspects of workplace performance. Thus among the "good" sub-sample (Chart 5a), there are similar responses between management and labour on the positive effects of good labour-management relations on job creation, turnover, morale, training and to a lesser extent costs and productivity and quality. Similarly, in Chart 5b there is agreement among management and labour on the negative impacts of poor labour-management relations on costs and productivity, quality, investment, job creation, innovation and morale. Here it is notable that four of these six performance aspects are common, suggesting a shared perspective on those aspects most sensitive to the state of labour-management relations.

The differences between management and labour are also worth noting. Labour is significantly more positive than management about the impacts of good labour-management relations on investment, job security and innovation (Chart 5a). Where labour-management relations are poor, labour is significantly more negative than management over the impacts on training, turnover and job security (Chart5b). The presence of job security in both cases suggests that this is one area where there are very real and persistent differences of opinion

between labour and management over the impact of labour-management relations on this workplace indicator.

Two important conclusions are thus evident from this detailed analysis. First, the views on the impact of labour-management relations on workplace indicators reflect labour and management views on the current state of labour-management relations. Those who view the relationship as poor see large negative workplace impacts; those who see labour-management relations as good see large positive impacts at the workplace. These conclusions hold particularly strongly for labour respondents.

Second, analyzing perceived impacts on a consistent basis reveals a surprising degree of agreement between labour and management on the impact on specific aspects of workplace performance of a given state of labour-management relations. Both constituencies share similar views on those aspects of workplace performance most sensitive to the state of labour-management relations. The only indicator where there appear to be very different views on the impacts of the state of labour-management relations is job security.

Chart 5a: Impact of Labour Management Relations on Workplace Indicators According to Respondents Who Viewed Relations as Good

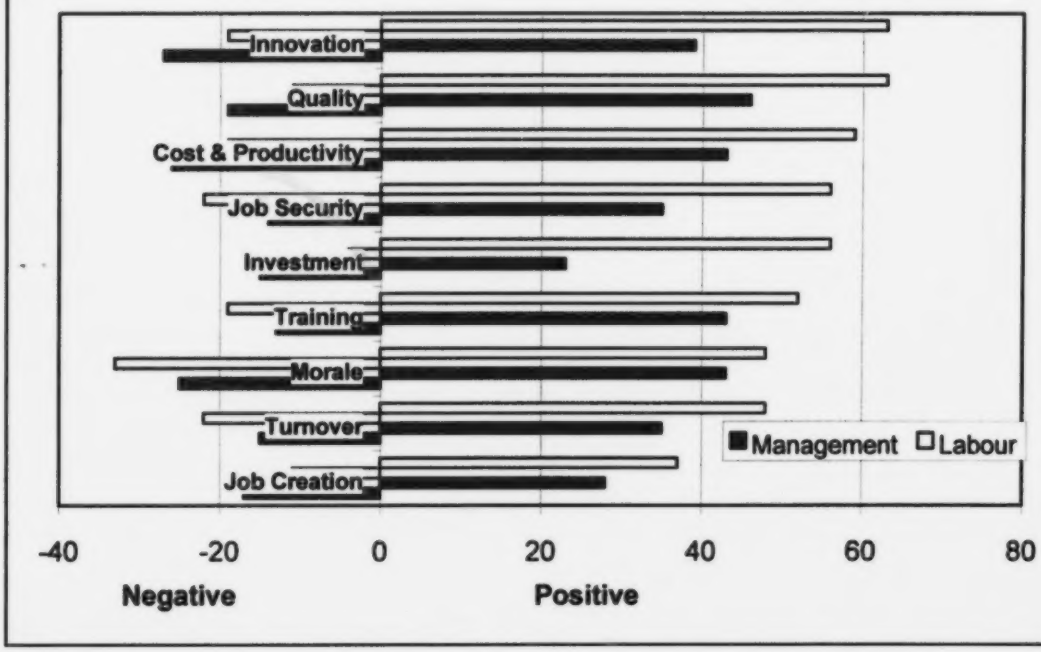
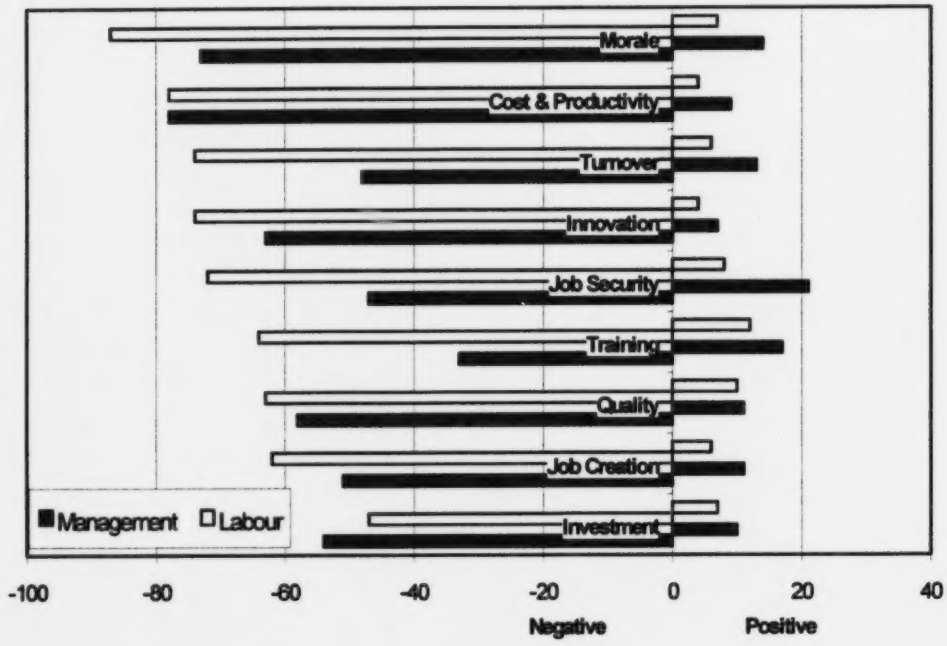


Chart 5b: Impact of Labour Managment Relations on Workplace Indicators According to Respondents Who View Current Relations as Poor



IV. Factors Affecting Labour-Management Relations

Respondents were asked to list the key factors that they believe have affected labour-management relations. The question was open-ended, and (using interpretation and judgment) the responses were grouped into categories. As the goal here is to identify the major factors highlighted through total responses, less attention was paid to precise statistical percentages.

The table below presents, for 2000 and for 1998, the top four factors cited by each constituency as affecting labour-management relations.

Rank in 2000	Constituency			
	Private Sector Management	**Private Sector Labour**	**Public Sector Management**	**Public Sector Labour**
1	Productivity/ competitiveness (14%)	Trust/ communications (19%)	Government finances/regulation (34%)	Government finances/regulation (37%)
2	Workplace practices (13%)	Downsizing/job security (14%)	Wages and benefits (14%)	Trust/ communications (13%)
3	Wages and benefits (12%)	Other (13%)	Trust/ communications (11%)	Downsizing/job security (10%)
4	State of the economy/low business activity (12%)	Productivity/ competitiveness (12%)	Downsizing/job security (8%)	Other (10%)

Rank in 1998	Constituency			
	Private Sector Management	**Private Sector Labour**	**Public Sector Management**	**Public Sector Labour**
1	Contract Flexibility/union rules (24%)	Workplace Practices (23%)	Government Finances and Regulation (22%)	Government Finances and Regulation (25%)
2	Workplace Practices (18%)	Downsizing or Job Security (19%)	Workplace Practices (22%)	Workplace Practices (18%)
3	Productivity or competitiveness (11%)	Trust and Communications (13%)	Downsizing or Job Security (16%)	Downsizing or Job Security (15%)
4	Downsizing or Job Security (10%)	Contract Flexibility/union rules (9%)	Wages and Benefits (12%)	Wages and Benefits (14%)

Among private sector respondents in 2000, there appears to be less consistency than in 1998 concerning the key factors determining the state of labour-management relations. In 1998, management and labour respondents to the survey agreed on three of their top four factors: contract flexibility, workplace practices, and downsizing/job security. In 2000 by contrast, they only cited one common factor: productivity/competitiveness. Among public sector respondents there still appears to be considerable consistency between labour and management, where three common factors were cited (compared to all four in 1998).

The nature of the key factors affecting labour-management relations also appeared to change between 1998 and 2000. In 1998, labour and management in both the private and public sectors uniformly cited workplace practices and contract related issues as key determinants of labour-management relations.

In 2000, in contrast, workplace or contract related issues are rarely included among the key factors while, instead, trust and communications are identified by three of the four respondent groups (management and labour in the public sector and private sector labour). This would indicate a concern with "process issues" along with the building of an improved management-labour relationship over the longer-term, as opposed to specific practices and clauses around contract rules. Downsizing/job security nevertheless continues to be a concern among three respondent groups (labour and management in the public sector and private sector labour), as in 1998.

V. Anticipated Evolution of Labour-Management Relations Over the Next Two Years

Respondents were asked how they saw labour-management relations changing over the next two years. For each respondent group, the proportion that foresaw a worsening of relations was subtracted from the proportion that foresaw an improvement. This calculation provided each group's 'net' view on the direction of relations and the degree of change over time. Charts 6(a) and 6(b) present these 'net' views, for private and public sector respondents, respectively. In the charts, a negative bar reflects a perceived net worsening; a positive bar a perceived net improvement.

As in the 1998 survey, the general optimism of private and public sector managers contrasts sharply to the pessimism of their labour counterparts, at all levels (workplace, industry, and economy-wide). At all three levels, labour respondents anticipate a worsening of relations over the next two years. In contrast, management representatives on the whole tended to look for an improvement at every level. Compared to 1998, in 2000 both management and labour were more optimistic (management was more positive, and labour was less negative) about the next two years than they were in 1998. In the public sector, management was somewhat less optimistic, whereas labour was less negative than they were in 1998.

Nevertheless in 2000,the public sector labour respondents continue to view labour-management relations more negatively than their private sector counterparts. Public sector management is also less positive than in the private sector about the future of labour-management relations. Reinforcing this is the fact that it is at the industry level that labour is most pessimistic and management is positive, indicating some difficult challenges for the public sector as a whole over the next two years.

These differing prognoses for labour-management relations raise the question of what the parties can do to ensure that relations evolve as positively as possible. This is discussed in the next section.

Chart 6a) Anticipated Evolution of Labour Management Relations: Private Sector

(Percentage who forsee an improvement minus percentage who forsee a deterioration)

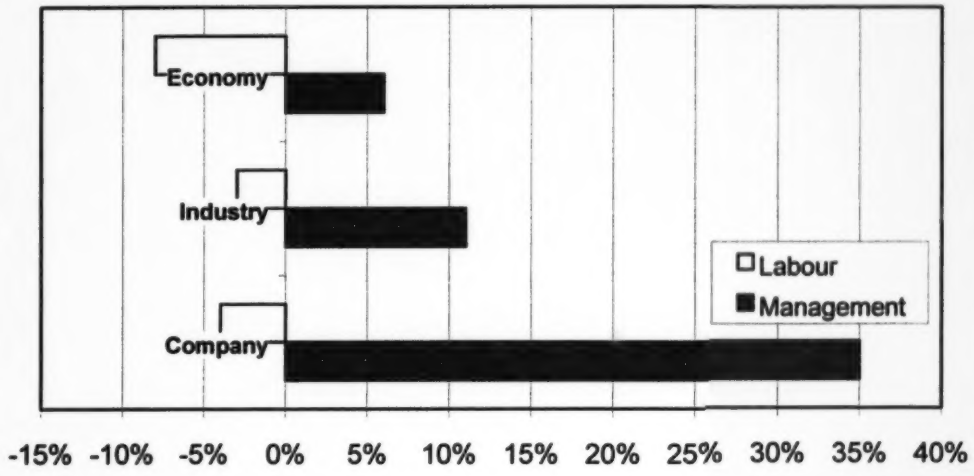
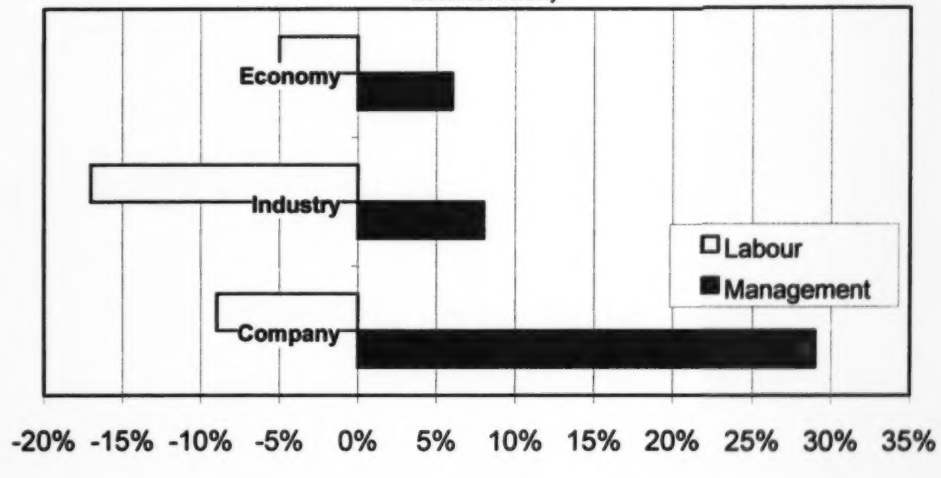


Chart 6b) Anticipated Evolution of Labour Management Relations: Public Sector

(Percentage who forsee an improvement minus percentage who forsee a deterioration)



VI. Improving the State of Labour-Management Relations

One question that was asked for the first time on the 2000 Leadership Survey was how the labour-management relationship in Canada could be improved. This was an open-ended question and therefore judgment was used in categorizing the responses.

Charts 7a) and 7b) describe the responses to the means of improving labour-management relations. It is clear that the most frequently cited answer in both the public and private sector, and among management and labour, was the development of communications and trust. The responses were remarkably similar across the two sectors for this measure. The identification of this is consistent with earlier responses in the survey regarding important factors affecting labour-management relations.

Another action that was identified to improve labour-management relations was government action, though this was more prevalent among labour and management leaders in the public sector. The precise nature of this government action is not clear, since in the public sector the government has an additional role as *employer*, as compared to the private sector.

Chart 7a: Ways to Improve Management-Labour Relations: Private Sector

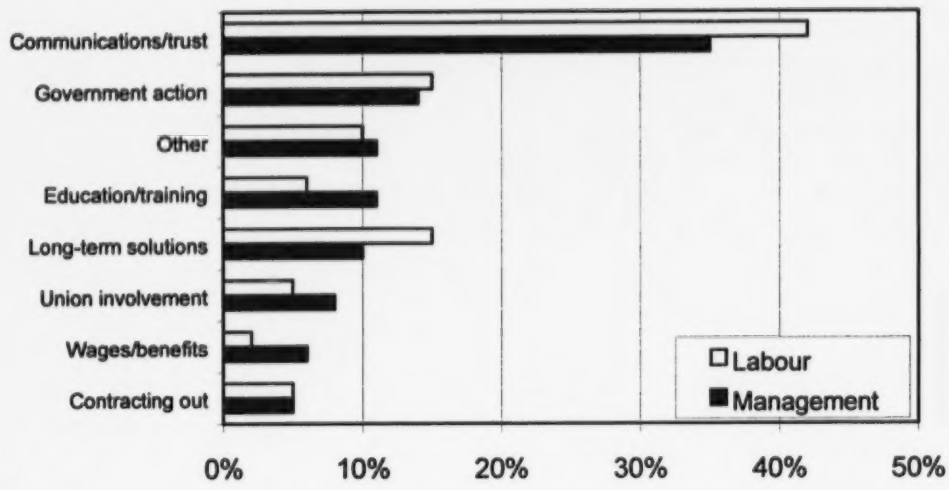
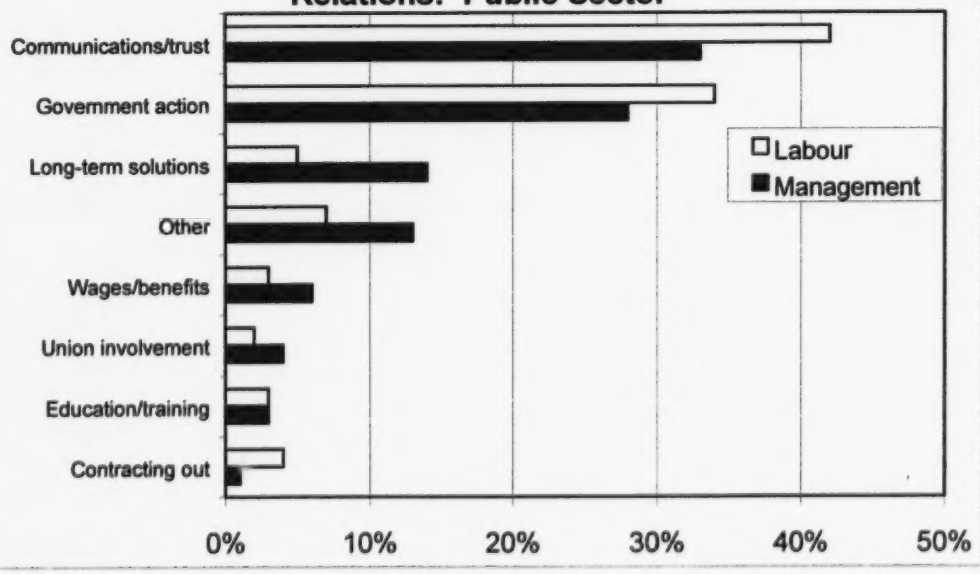


Chart 7b: Ways to Improve Management-Labour Relations: Public Sector



Conclusion

Canadian labour leaders continue to evince a more negative view of labour-management relations than Canadian leaders in management. This finding is evident in their respective assessments of the current state of labour-management relations; the impact of labour-management relations on indicators of workplace performance; and their outlook for labour-management relations of the future. In this sense the results replicate the 1996 and 1998 surveys. However, it is interesting to note that among some constituencies the state of labour-management relations in Canada is perceived less negatively (although still negative) than in the previous Canadian Labour and Business Centre surveys.

The trend line in assessments of the current state of labour-management relations, for instance, points to substantial improvements in the perceptions of labour-management relations in the public sector. Nevertheless, there are still important differences between management and labour. This suggests there are important issues and points of disagreement that the constituencies will need to address in the future. Perceptions are that labour-management relations are at their worst at the industry level, which is where bargaining typically takes place in the public sector. On the future of labour-management relations, both sides indicate that trust and communications are important factors in labour-management relations, and particularly for their improvement.

The survey also reveals a surprising degree of concordance concerning which aspects of workplace performance they perceive to be most affected by the current state of labour-management relations, and to what degree. Moreover, the strength of these perceptions reflects their view of the current state of the labour-management relationship; that is, respondents who see the current relationship as "poor" perceive significant negative workplace impacts, while respondents who see the current relationship as "good" perceive large positive impacts in the workplace. This is particularly true for labour respondents, who appear to attach more importance to the labour-management relationship as an influence on workplace performance.

The different perceptions of labour and management constituencies registered in Canada in 2000 maintain differences that have been registered in earlier surveys. By highlighting both these differences and points of agreement, the results of this survey will help both sides to focus on respective concerns, and move the discussion in a way that can lead to improved labour-management relations.

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The Healthy Workplace

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Canadian Labour and Business Centre Leadership Survey: The Healthy Workplace

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Canadian Labour and Business Centre

EXECUTIVE SUMMARY

The third bi-annual Canadian Labour and Business Centre Leadership Survey of 4,442 private sector business leaders, public sector management and labour leaders was conducted between March and April 2000 and achieved a response rate of 18 percent. Included in the survey for the first time were questions relating to the healthy workplace. The responses to these questions are summarized here.

Business and Labour Views Overall

- There was agreement between business and labour that the principal indicators of a healthy workplace are good working relationships and high morale. This was indicated by 70 percent of business and labour leaders and was true across different industry groups, organization sizes and most regions of Canada.
- Labour and business differed on the second tier of healthy workplace indicators (HWI). Approximately 55- 60 percent of business leaders cited the ability to attract and retain employees, low absenteeism and high motivation, whereas labour leaders indicated the ability to balance work and family pressures, safe and secure workplaces, and manageable stress. However, the differences between management and labour may not be as great as these results suggest. The two parties usually focus on different specific measures as symptoms, but often share common concerns at the workplace.
- While business and labour agreed on the most important HWIs, they differed on their performance. Business leaders believed that most indicators had improved in net terms (the percentage of those who believed the indicator had improved minus the percentage who believed it had worsened). However, only a small percentage believed there had been significant improvements. On the other hand, labour leaders thought that every HWI had worsened; many believed there had been significant deterioration.
- The ability to manage work and family pressures and the degree of stress were the only two indicators which both business and labour leaders agreed had worsened, in net terms.
- Difference in labour and business perceptions of HWI performance shapes their views of which factors have been important and what actions are needed to create a healthy workplace. Business believed a variety of factors had been responsible for the improvement in HWIs, whereas labour leaders saw the "more work-less people" phenomenon as responsible for the deterioration of overall workplace health.

Public Sector and Private Sector Views

- Significant differences between views in the private and public sector were revealed in the survey. In the public sector, good working relationships and high morale were again the important HWIs, but among the secondary indicators, manageable stress was more strongly identified by both labour and business than in the private sector.
- In examining perceptions of trends in HWIs, the labour responses are much more negative and the business answers much less positive, in net terms, in

the public sector. In particular, both labour and business leaders in this sector reported that workplace stress had increased in recent years.

- In the public sector the "more work-less people" factor was strongly identified by labour leaders as a factor in the deterioration of the healthy workplace (51 percent in the public sector compared to 30 percent in the private sector).

Views in Goods Producing and Services

- Among secondary HWIs, workplace safety and a low level of injuries were much more important for both labour and business in the goods producing sector. In services, balancing work and family is more important.
- Overall workplace health has improved the most, in net terms, in the private goods-producing sector, according to business leaders. Among labour leaders this is also the sector with the least negative views. The strength of the labour leaders' perception of significant change (worsening) is also much lower than in service sector unions.

Differences in Regional Viewpoints

- In Quebec, unlike the other regions, high morale was not ranked high as a HWI. Good working relationships were, however, still the most important indicator. This finding is interesting in light of the fact that business-labour relations in Quebec, at the macro level, are recognized as being much more cooperative than in other regions of Canada.
- In British Columbia, labour leaders ranked a safe and secure workplace as the leading indicator, which likely reflects the importance of the resource sector in that province.
- Among business leaders, Manitoba/Saskatchewan, Alberta and Atlantic Canada were the regions with the biggest net improvement in overall workplace health, while Quebec and Ontario had improved the least in net terms. Labour leaders saw Manitoba/Saskatchewan and Alberta as having the worst records in terms of changes in overall workplace health and Quebec and British Columbia as having the least net deterioration.
- Public sector labour leaders had very large net negative figures for healthy workplace trends in Atlantic Canada (-84 percent) and Manitoba/Saskatchewan (-82 percent).

Differing Views by Size of Organization

- Responses were only possible by size of organization for business leaders. Small-sized organizations were generally very clear on the important HWIs: good working relationships and high morale. Among large organizations, the identified HWIs were more clustered, suggesting a diversity of workplace health issues in larger organizations.
- In terms of overall workplace health, the leaders of smaller organizations indicated greater net improvement in the last two years than those in larger-sized organizations.

Introduction and Context

The third biannual Canadian Labour and Business Centre Leadership Survey was conducted between March and April 2000, and was sent to 4,442 business leaders in the private sector, public sector management and leaders of trade unions. The total number of responses was 790, or an 18 percent response rate. This is in line with surveys of this type.

The survey asked a number of questions relating to labour and management perceptions of the problems facing the economy, labour-management relations, the changing nature of work and work arrangements, and other areas of interest to the Canadian Labour and Business Centre's Board of Directors.

Included in this year's survey for the first time were questions relating to the healthy workplace. This paper discusses the key indicators of a healthy workplace; trends in these key indicators; assessment of changes in workplace health and safety overall; the major factors behind these changes; and suggested action to ameliorate health hazards to employees at work.

A. Indicators of a Healthy Workplace

Overall Results (Charts 1, 2, 3)

Management and labour leaders in the public and private sectors, asked what they considered were the most important indicators of a healthy workplace, identified the following top five indicators:

Business/Management	**Labour**
Good Working Relationships (70%)	Good Working Relationships (75%)
High Morale (69%)	High Morale (70%)
Ability to Attract & Retain Employees (60%)	Balance of Work & Family Pressures (52%)
Low Absenteeism (59%)	Safe/Secure Workplaces (51%)
High Motivation (56%)	Manageable Stress (46%)

There was clear agreement among management and labour in both the private and public sectors that the two most important indicators of a healthy workplace were good working relationships and high morale. Seventy percent, or more, of management and labour leaders cited both of these. The figures were generally higher in the public sector: good working relationships were identified by 76 percent of managers and 79 percent of union leaders compared to 67 percent and 70 percent respectively in the private sector. High morale was identified by 68 percent of managers and 75 percent of union leaders in the public sector. The comparable private sector figures were 70 percent and 65 percent respectively (Charts 1, 2, 3).

The third and fourth ranked choices differed distinctly between management and labour. Among management, 60 percent indicated that the ability to attract and retain employees was an important indicator of a healthy workplace and 59 percent indicated that low absenteeism was a similar indicator. By contrast, labour leaders indicated that balancing work and family pressures (52 percent) and a safe and secure workplace (51 percent) were signs of a healthy workplace (Chart 1). The latter was more important in the private sector, reflecting the differing nature of production.

Generally, these secondary choices were similar in both the private and public sectors, with the exception that the fourth ranked choices were different in the public sector (Charts 2 and 3). Public sector management identified high motivation as an important indicator, whereas public sector labour leaders cited manageable stress as an important sign of a healthy workplace.

The differences between management and labour may not be as great as these results suggest. With their traditional perspectives on the workplace the two parties will attach importance to different measures. Management may tend to focus on performance measures (absenteeism, recruitment, retention) whereas labour leaders are more

concerned with the impact on the people who are inputs into the production process (work and family pressures, stress, and safety). Furthermore, different measures may be linked (e.g., motivation and stress). Highly motivated individuals tend to be able to manage the demands of their work; being able to manage stress can in turn promote high motivation. The two perspectives of management and labour may therefore reflect similar concerns; but each focuses on a different symptom. Consequently, the reported results for management and labour may overstate their differences in their overall concerns at the workplace.

Detailed Analysis

It is likely that healthy workplace indicators will vary across different workplaces. The responses were therefore broken out into different elements that might help capture the diversity of workplaces. These include size of organization, industry, and region.

Size of Organization (Chart 4)

As expected, there are some differences in the appropriate healthy workplace indicators between organizations of different sizes. (These responses are only from management. Responses of labour leaders were reported by union size and do not permit direct comparisons.) Although the ranking of healthy workplace indicators was the same among organizations of a different size, larger organizations (1,000+ employees) tended to employ a greater variety of indicators than small organizations (1 to 99 employees).

Small organizations overwhelmingly saw high morale and good working relationships as key indicators of a healthy workplace (the respective responses for these two indicators were 76 and 75 percent of management). The ability to attract and retain employees and low absenteeism were of secondary importance.

By contrast, as one moves to larger organizations (those with 1,000+ employees) the indicators are much more clustered. No less than six indicators were identified by approximately 60 percent of management of large organizations.

High morale (61%)	High motivation (60%)
Good working relationships (60%)	High productivity (58%)
Ability to attract and retain employees (60%)	Low absenteeism (57%)

The appropriate indicator of a healthy workplace varies between the different sizes of workplace. In small organizations, working relationships will be key and the state of morale can be infectious to a greater degree than in a large organization, hence the high responses from leaders of small organizations regarding these indicators.

Industry Group (Charts 5, 6)

The responses were broken out into private sector goods producers, private sector service providers and public services (health education and government). One would expect

some differences in the types of indicators of a healthy workplace among the different industry sectors. The results confirm this.

High morale and good working relationships continue to be the top two indicators across industries. However, there are significant differences among the secondary indicators of a healthy workplace between the different groups.

In the private sector goods producers, both business and labour indicated that safety and injuries were more important indicators of a healthy workplace than in the public sector. Given the nature of production in this broad sector, this result accords with expectations.

By contrast, in the public sector, manageable stress is more strongly identified as an appropriate indicator of a healthy workplace than in the other two sectors. Thus, 55 percent of labour leaders and 38 percent of managers identified this indicator compared to 32 percent and 17 percent respectively in the private sector.

Finally, in services, particularly in the private sector, balancing work and family is more important than in the goods sector (52 percent of labour leaders along with 38 percent – the comparable goods sector figures were 47 percent and 25 percent respectively).

Region (Charts 7, 8)

The responses were broken into seven regional groups, which included one for those management and labour leaders who had operations in more than one regional location. Again, some regional variation was expected, but the ranking of the important healthy workplace indicators was generally very similar to the overall ranking.

The most noticeable difference was in Quebec, where good working relationships continued to be the most important indicator of a healthy workplace, but high morale was not (in fact it was ranked sixth among Quebec management and a distant fourth among Quebec labour leaders). In all other provinces high morale was ranked much higher by both management and labour. The finding is interesting in light of the fact that at the macro level management-labour relations in the province of Quebec are recognized as being much more cooperative than in other regions of Canada (Canadian Labour Market and Productivity Centre Board Forum, February 1997). One interpretation of this result might be that what counts most in creating a healthy workplace is the development of good working relationships. On this interpretation, a good business-labour relationship would be a prerequisite for high morale.

One other regional difference occurred in British Columbia, where labour leaders ranked a safe and secure workplace as the leading indicator. This likely reflects the importance of the resource sector in that province and the type of workplace that is to be found in that sector.

B. Trends in Healthy Workplace Indicators

The responses regarding the relevant indicators of a healthy workplace say nothing about how these indicators have behaved over time. Management and labour leaders were asked how they perceived changes to various aspects of their workplaces over the last two years. They were also asked to indicate the strength of this change – significant improvement or worsening or some improvement or worsening.

Labour and management had agreed that the working relationships and employee morale were the two most important indicators. It would be appropriate to consider the behaviour of these two indicators before examining changes in other indicators and overall workplace health.

Changes in Working Relationships (Chart 9)

As Chart 9 clearly indicates, management and labour have very different views on how working relationships have fared over the last two years. Fully half of management believed that these relationships have improved over the last two years and only 17 percent believe they have worsened. Only 8 percent believed that there had been significant improvements. Among labour leaders only 15 percent believed working relationships have improved but 61 percent responded that they had worsened (and 20 said they had worsened significantly). Thus, while management and labour can agree on the importance of good working relationships, they disagree over how they changed.

In the private sector, business leaders were more positive and labour leaders less negative than their counterparts in the public sector. Thus, 54 percent of private sector business thought that the working relationship had improved compared to 43 percent in the public sector. Among labour leaders 69 percent in the public sector believed that the working relationship had worsened compared to 52 percent in the private sector.

Changes in Worker Morale (Chart 10)

Here again, the picture is one of stark contrasts: management believed worker morale has improved (45 percent), while only 10 percent of labour leaders believe this to be true. In fact, 82 percent of labour leaders believed worker morale has declined compared to 30 percent of management. Furthermore, only 5 percent of business believed that morale had worsened significantly compared to 51 percent of labour leaders. Clearly, there are very different views on the trends in a commonly agreed indicator of workplace health. The parties agree on the importance of this indicator but disagree about its behaviour.

Net Effects of Changes in Healthy Workplace Indicators

The views on the trends in the healthy workplace indicators can be summarized by taking the difference between the percentage of those who said a healthy workplace indicator had improved, minus the percentage that said the indicator had worsened. The calculation illustrates the net sentiment of the respondent's group. The results are shown in Table 1.

Table 1

NET TRENDS IN HEALTHY WORKPLACE INDICATORS

Percentage who believed indicator improved minus percentage who believed indicator worsened

Indicator	Overall		Private Sector		Public Sector	
	Managers	Labour	Managers	Labour	Managers	Labour
Working Relationships	34	-47	41	-32	15	-60
Worker Morale	14	-72	22	-64	-4	-81
Ability to attract/retain employees	6	-39	10	-23	-6	-55
Absenteeism	8	-38	14	-25	-7	-51
Work/Family Pressures	-32	-67	-28	-65	-41	-69
Workplace Violence	4	-34	7	-31	-1	-38
Workplace Injuries	24	-24	32	-18	7	-30
Stress Levels	-32	-77	-29	-73	-40	-81
Worker Motivation	25	-53	31	-39	10	-67
Productivity	54	7	57	22	47	-8
Environmental Safety	51	0	58	16	36	-15
Overall Workplace Health	27	-50	31	-31	18	-70

Table 1 clearly highlights the contrast between management and labour views. Management and labour have very different perspectives for virtually all the healthy workplace indicators. The responses for labour leaders are all net negative except for productivity and environmental safety. Management's responses are net positive for all aspects of the workplace except work and family pressures and stress levels. A partial explanation for these significant differences could lie in the tendency of management to focus on what has been achieved in the workplace while labour may focus on what still needs to be done.

The various aspects of the workplace are likely interrelated. Both management and labour consider the ability to balance work and family pressures and the degree of stress in the workplace to have deteriorated in the last two years. Some may argue that the effects of this may be apparent in other workplace aspects, such as the ability to attract and retain employees, absenteeism and workplace violence – three aspects of the workplace that have improved very little, according to management responses. This implies that efforts to improve the ability to juggle work and family responsibilities and to lower stress levels could not only contribute significantly to improving the health in the workplace but could also help improve other aspects of the workplace as well.

Another clear feature from the table is that the public sector responses are much more negative (or less positive) for both management and labour in the public sector as compared to the private sector. This would indicate that management and labour agree

that more work is needed in the public sector to improve the different workplace aspects and create a healthy workplace.

The strength of management and labour views can also be assessed by comparing the overall net sentiment regarding the change in the healthy workplace with the net figure for those who felt the change was significant. In the questionnaire, respondents were asked if the particular workplace indicator had improved or worsened significantly; improved or worsened somewhat; or no change at all. In Table 2 the first two columns report the net sentiment as calculated previously in Table 1. The next two columns repeat the calculation only for those how had indicated the change was significant, i.e. the percentage of those who indicated the workplace indicator had improved significantly minus the percentage who indicated the indicator had worsened significantly.

Table 2
STRENGTH OF PERCEPTIONS OF CHANGES IN WORKPLACE HEALTH
Overall Net Sentiment Compared to
Net Percent who felt the change was Significant

	Overall Net Sentiment		**Net percent who felt Change was Significant**	
	Management	**Labour**	**Management**	**Labour**
Working Relationships	34	-47	6	-18
Worker Morale	14	-72	4	-50
Ability to attract/retain employees	6	-39	0	-15
Absenteeism	8	-38	0	-12
Work/Family Pressures	-32	-67	-2	-23
Workplace Violence	4	-34	1	-7
Workplace Injuries	24	-24	9	-6
Stress Levels	-32	-77	-9	-49
Worker Motivation	25	-53	3	-20
Productivity	54	7	11	5
Environmental Safety	51	0	9	-4
Overall Workplace Health	27	-50	5	-20

From the data presented in Table 2, it is clear that labour believe the change has been significant, i.e. the workplace indicators have worsened significantly in net terms. Business views, however, are more moderate – the indicators have improved only somewhat, rather than significantly. The net figure for those who believed the change was significant was less than 10 percentage points. Work and family and stress levels

have net negative figures throughout all four columns, indicating agreement on the worsening of these workplace aspects.

In terms of the severity of the worsening, two indicators – worker morale and stress levels – stand out among labour leaders, who believed the change was significant. Fully half of labour leaders (in net terms) believe there has been significant worsening for these indicators in the last two years. These are also the two indicators where there are the largest divergence of views between those management and labour respondents who view the change as significant.

C. Overall Workplace Health

In net terms, management believed workplace health has improved overall (the net figure was 27 percent) while labour leaders believed it had declined (minus 50 percent in net terms, Table 2). Labour holds their view more strongly than management holds theirs – only 6 percent in net terms of management believed there had been significant improvement in workplace health but 20 percent net of labour leaders believed there had been significant deterioration in workplace health.

Table 3 extends this analysis and shows the net perceptions of the trends in healthy workplace indicators by size of organization, industry and region, as well as the strength of these perceptions.

Table 3
OVERALL WORKPLACE HEALTH

	Overall Net Sentiment		Net percent who felt Change was Significant	
	Management	Labour	Management	Labour
No. of EMPLOYEES				
1-99	34		9	
100-999	30		3	
1,000+	14		3	
INDUSTRY GROUP				
Goods Producing	38	-31	7	-12
Private Services	15	-33	2	-29
Health/Education/Government	18	-70	3	-23
REGION				
Atlantic	36	-55	3	-20
Quebec	19	-42	7	-15
Ontario	15	-53	0	-26
Manitoba/Saskatchewan	38	-63	6	-25
Alberta	37	-62	9	-19
British Columbia	25	-43	5	-17
Multi-regional	24	-44	4	-14
ALL	27	-50	5	-20

Size of Organization (Chart 11)

In terms of overall workplace health by size of organization (management responses only), the leaders of smaller organizations indicated greater improvement in the last two years than those in larger organizations sizes, particularly in the 1,000+ group of organizations. This result was more noticeable in the private sector where a greater than average proportion of business leaders in both the small- and medium-sized organizations reported a net improvement in the healthy workplace indicators overall. The average net percentage was 27 percent (Table 3 and Chart 11).

It was in the mid-size organizations that there was the greatest difference in trends in overall workplace health between the public and private sector. Thus, the net result was 39 percent points for private sector leaders of mid-size companies (100-999 employees) compared to 18 percentage points for the public sector leaders.

The net percent who felt this change was significant was higher among the small-sized employers, but was in line with the management perceptions overall.

Industry Group (Table 3)

The main split appears to be between goods producing and services (either private or public). According to business leaders, overall, workplace health has improved the most in the private goods-producing sector (38 percent net positive). Among labour leaders this is also the sector with the least negative (-31 percent compared to -70 percent net for the public sector). The strength of the labour leaders' perception of significant change (worsening) is much lower than in service sector unions.

In services there is little difference among private business leaders and public sector managers, and the change has generally not been perceived to have been significant. Among labour leaders there is considerable difference between the public and private sectors. Sentiment is much more negative among public sector union leaders (Table 3).

Region (Table 3)

Responses differed between management and labour among the different regions. According to management, Manitoba/Saskatchewan, Alberta and Atlantic Canada were the regions with the biggest net improvement in overall workplace health, while Quebec and Ontario had improved the least in net terms. Management saw the improvement as something less than significant.

Labour leaders saw Manitoba/Saskatchewan and Alberta as having the worst records in terms of changes in overall workplace health and Quebec, British Columbia has having the least net deterioration. Manitoba/Saskatchewan and Alberta are also the provinces with the largest net percent that saw significant worsening of overall workplace health. What is also of significance among the responses of labour leaders are the very large net negative figures for the public sector in Atlantic Canada (-84 percent) and Manitoba/Saskatchewan (-82 percent), which may indicate significant challenges in these areas.

D. Major Factors Behind the Change in Workplace Health

(Charts 12, 13, 14)

To try to get at the root of these very different perceptions of trends on healthy workplace indicators, management and labour leaders were asked two opened-ended questions concerning i) the main factors behind changes in workplace health and ii) the types of action that would improve the health of the workplace. Sixty-two percent of respondents answered these questions.

Given the results of the previous section on the trends in workplace indicators, it is important to realize that management and labour are trying to explain different phenomena. The interpretation of the question from a manager's perspective is to explain why workplace health indicators have improved, while a labour leader is looking to explain why they have worsened. In analyzing these responses it is important to keep this distinction in mind.

Of those who responded to the question on the main factors, management believed that a variety of factors were significant in explaining the improvement in the healthy workplace indicators. Management identified the following factors as important in explaining the improvements:

- the effects of expansion or restructuring;
- the need to create a better environment;
- the notion that more work is being done with less people;
- health and safety programs; and
- development of communication and trust.

However, the percentages were uniformly less than 20 percent (Chart 12).

By contrast, labour had more definitive views. The most often cited factor in explaining the worsening of the workplace indicators was the "more work – less people" phenomenon (Chart 12). Forty one percent of labour leaders who responded to this question identified this as a main factor. More work with less people is consistent with the workplace aspects that had been identified by labour leaders as having worsened the most: the increases in stress, declines in worker morale and increasing pressures balancing work and family responsibilities.

This pattern of responses between management and labour was generally similar between the public sector and the private sector. In the public sector, however, the "more work – less people" factor was more strongly identified by labour leaders than in the private sector (51 percent in the public sector and 30 percent in the private sector). This is not unexpected, since the public sector has been subject to more downsizing in recent years than the private sector. It would also account for the higher net negative figures for morale and stress levels reported for labour leaders in Table 1.

Disaggregation by size of organization, industry and region are generally not feasible given the small size of the samples in these cells.

Actions to Improve the Health of the Workplace

Charts (15, 16, 17)

Given the differences between management and labour on the healthy workplace trends, the interpretation of this question could be different between labour and management. Management could be seeking to explain what factors have been important in improving the workplace indicators, while labour could interpret the question as showing what should be important to improving the health of the workplace. This distinction should be borne in mind.

Of the actions to improve the health of workplaces, management and labour were agreed that the number one priority was for management to recognize the problems. Of those who responded to this question, 40 percent of management and 39 percent of labour leaders identified this as the principal action and was clearly the top action for both parties.

The finding may seem at odds with the labour and management views about the trends in workplace health – labour believed it had worsened and management believed it had improved. However, if management is answering the question from the view of what has been done, while labour is responding to what should be done, then the data may well be consistent with the responses on workplace health trends.

There were once again important differences between the public and private sector responses. The need for government action to assist in improving the health of the workplace was a view held more strongly in the public sector than in the private sector, not only by labour but also by public sector management. Thus, 38 percent of labour leaders and 26 percent of management in the public sector believe government action is required. The corresponding responses from the private sector were 11 percent and 8 percent. One possible factor could be that public sector management and labour see the government role as one of employer rather than as a governing body.

Conclusion

The Canadian Labour and Business Centre Leadership Survey 2000 has shown some major points of agreement, as well as some areas of stark contrast. In general, these areas of labour and management differences are consistent with previous Canadian Labour and Business Centre Leadership Surveys. Management and labour often use different language and measures to reflect their perceptions around workplace and labour-management relations, as well as the notion of a healthy workplace covered in this specific survey.

The diversity of responses across size of organization, region, industry, and between the private and public sectors indicates that a global, unique solution is not feasible to meet the many factors in play in these different workplaces. Instead, a more focused and targeted approach that recognizes common elements, and allows for differences among workplaces, would seem called for.

As the Canadian Labour and Business Centre Board of Directors concluded in their review of the survey's findings, the size and dimensions of Canadian workplace health and safety challenges have altered in recent years, in large part due to the impact of rapid economic change and its attendant pressures. Business and labour, in partnership with government and healthcare and education systems in Canada, must actively seek to redefine healthy workplace challenges in light of the hazards of increased incidence of job strain, stress and insecurity, among other effects.

Only by properly identifying these new and emerging health hazards to Canadian employees can we design the appropriate strategies at the workplace, sector and economy-wide levels.

Before publication of this survey, the findings were the topic of a national Canadian Labour and Business Centre Board of Directors Forum on the healthy workplace (June 2000). This Forum, involving Canadian business and labour leaders as well as senior representatives of government and the academic community, agreed that survey results accurately reflect the state of the workplace health environment at the present time, as well as the current experiences and outlooks of employers and employees in individual firms. The Canadian Labour and Business Centre is anticipating releasing further conclusions from this forum in the near future.

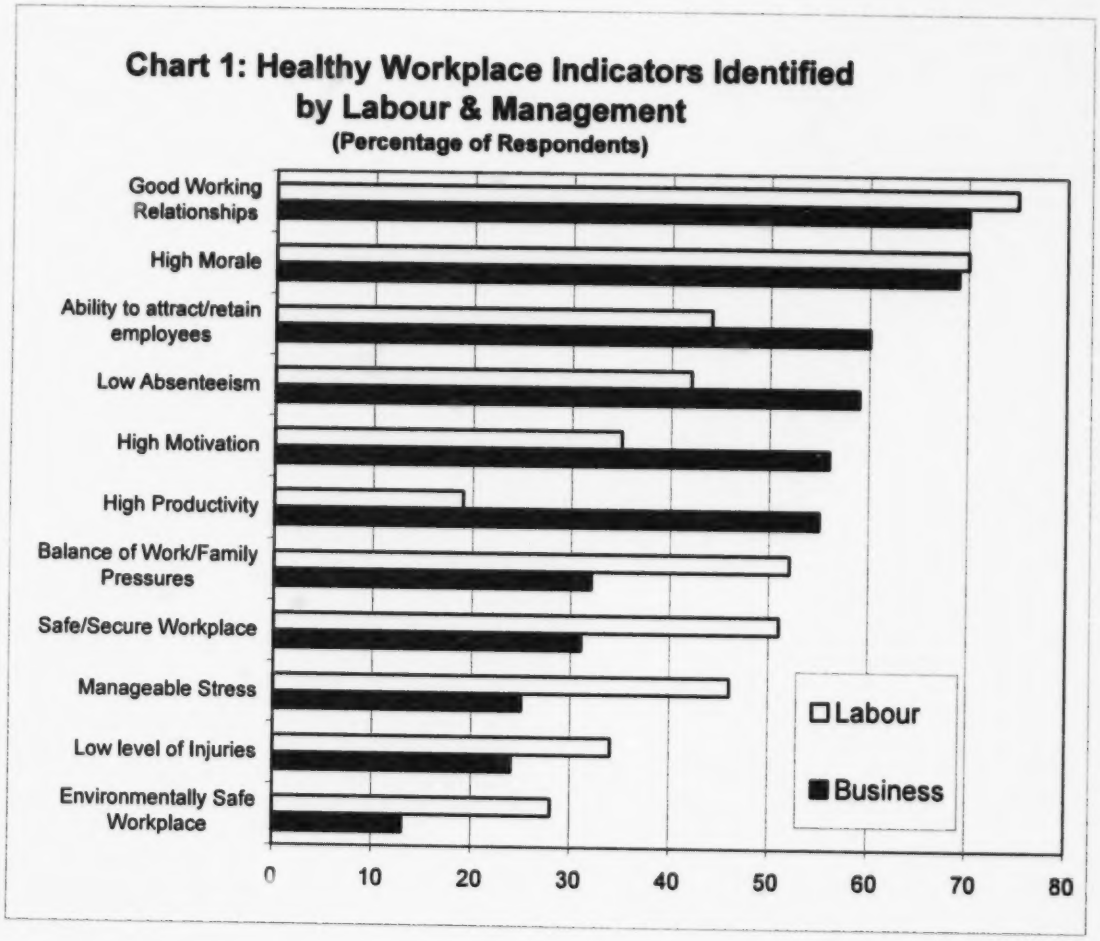
Chart 1: Healthy Workplace Indicators Identified by Labour & Management
(Percentage of Respondents)
Good Working Relationships
High Morale
Ability to attract/retain employees
Low Absenteeism
High Motivation
High Productivity
Balance of Work/Family Pressures
Safe/Secure Workplace
Manageable Stress
Low level of Injuries
Environmentally Safe Workplace
Labour
Business
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10
20
30
40
50
60
70
80

Chart 2: Healthy Workplace Indicators Identified by Labour & Management: Private Sector

(Percentage of Respondents)

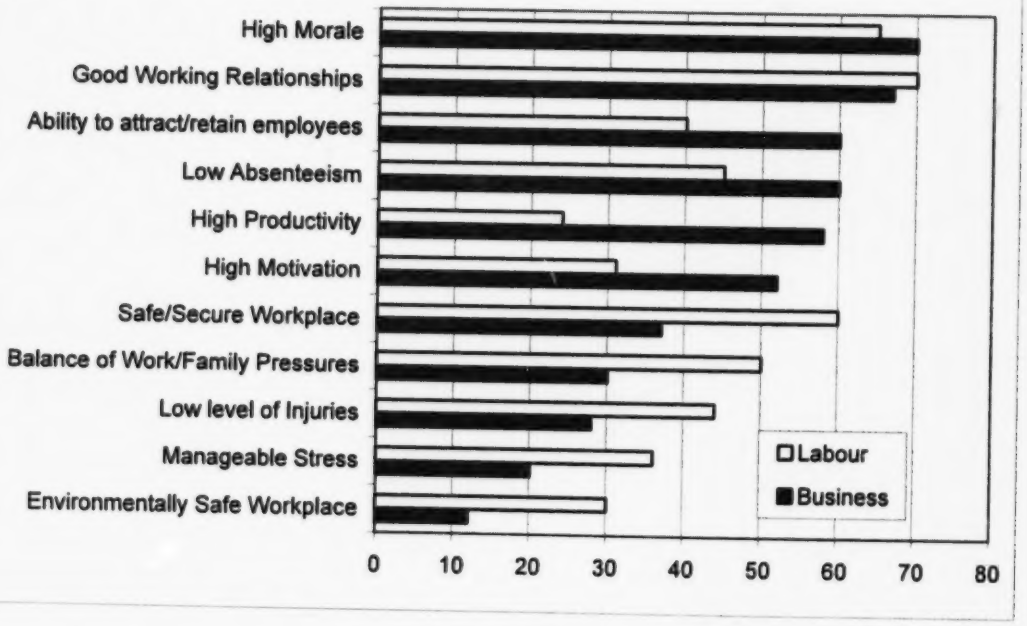


Chart 3: Healthy Workplace Indicators Identified by Labour & Management: Public Sector

(Percentage of Respondents)

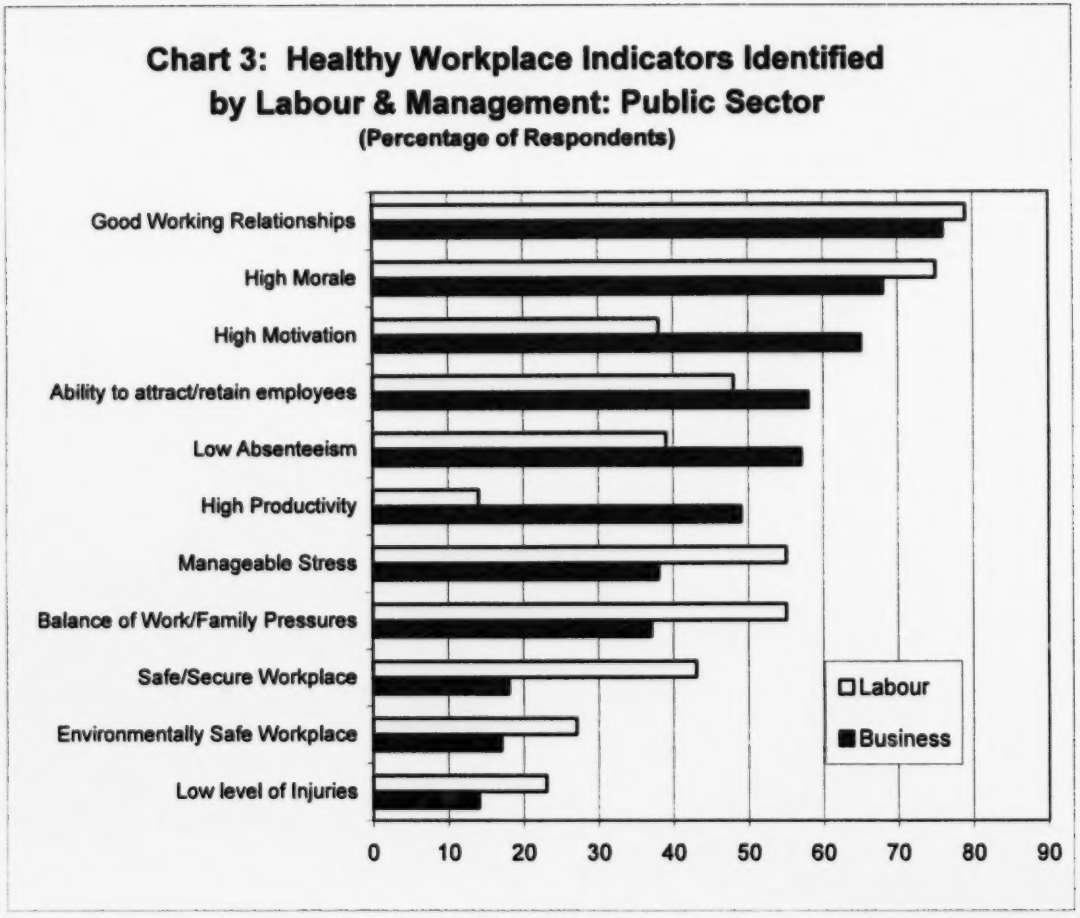


Chart 4: Healthy Workplace Indicators Reported by Management by Size of Organization

(Percentage of Respondents)

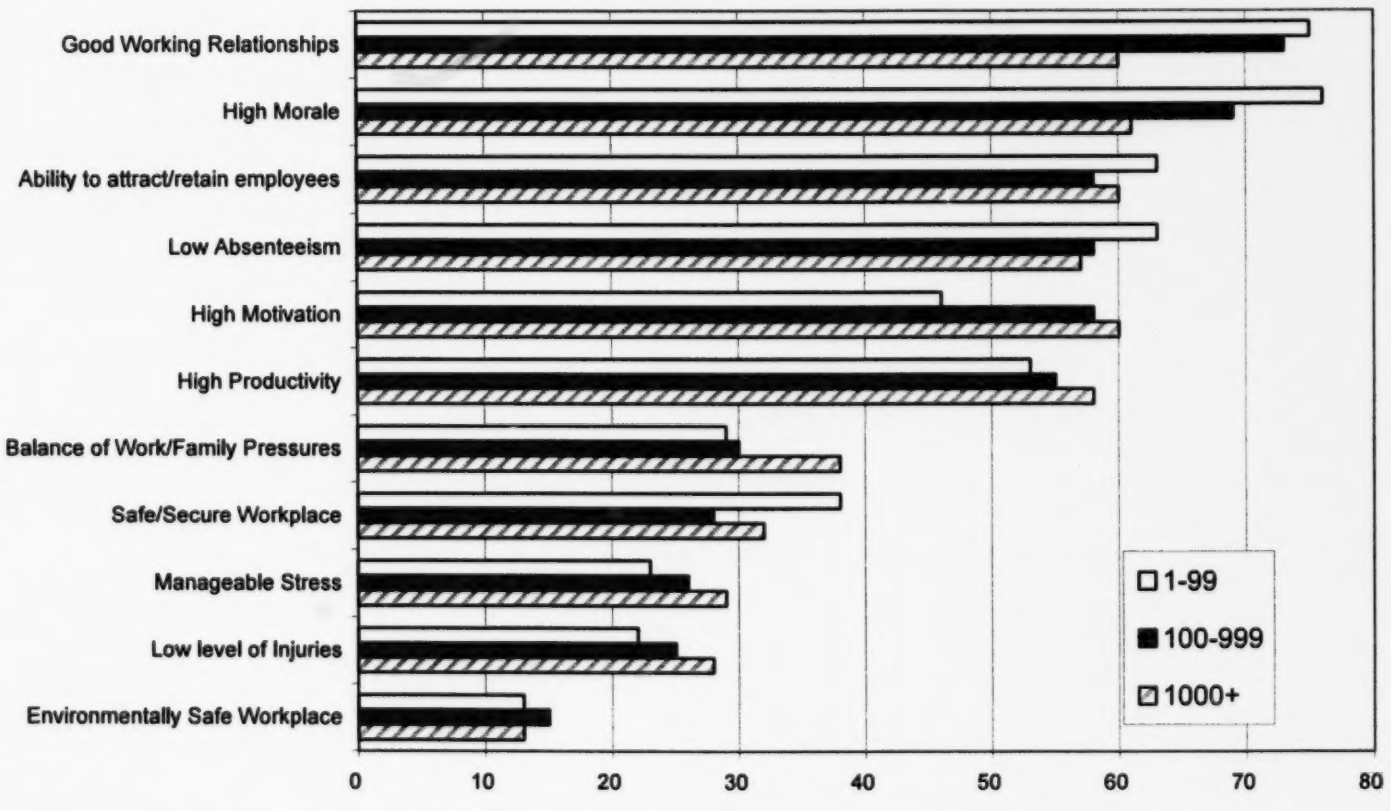


Chart 5: Healthy Workplace Indicators Reported by Management by Industry Group

(Percentage of respondents, Ranked by Management Overall)

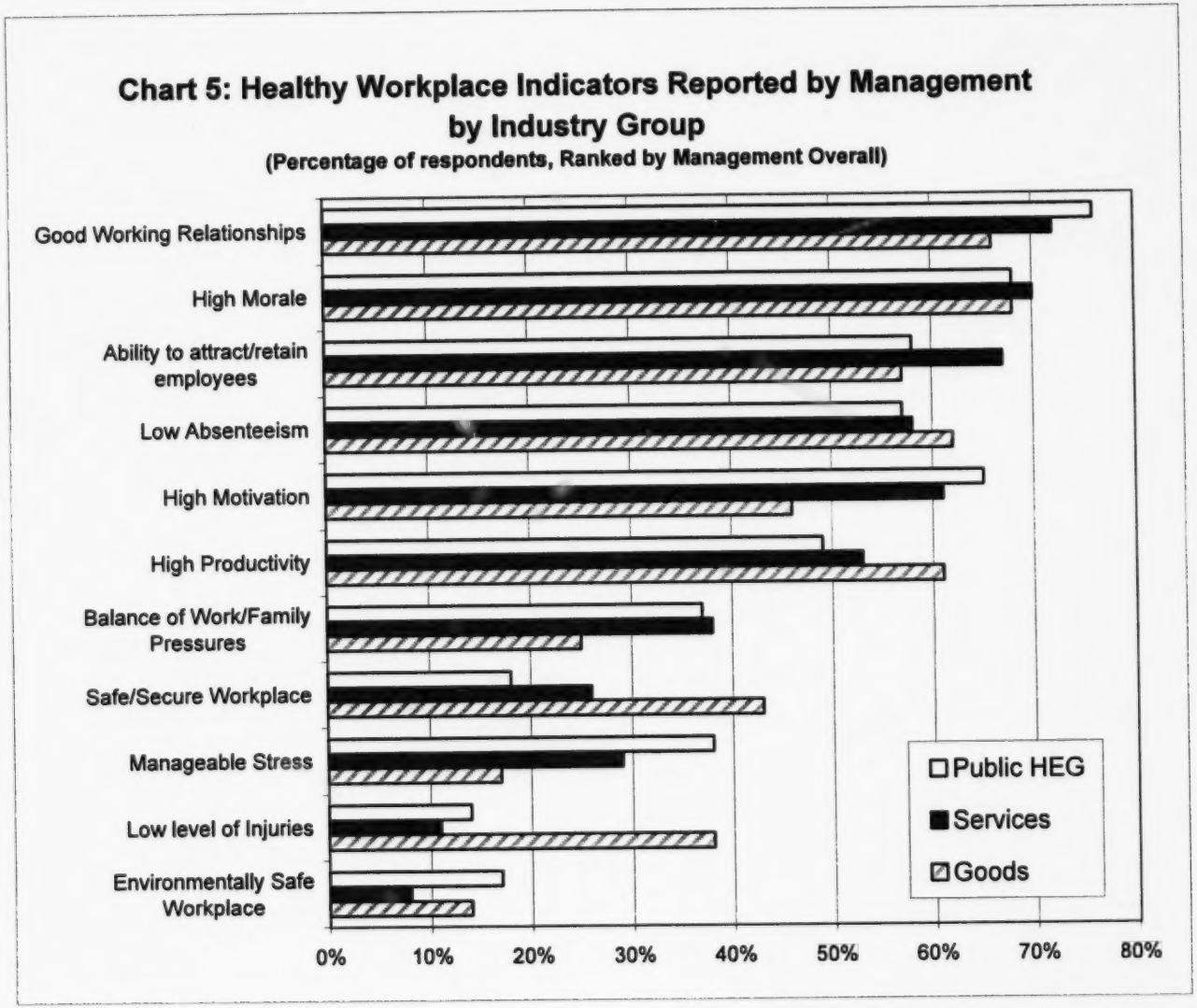


Chart 6: Healthy Workplace Indicators Reported by Labour by Industry Group

(Percentage of respondents Ranked by Labour Overall)

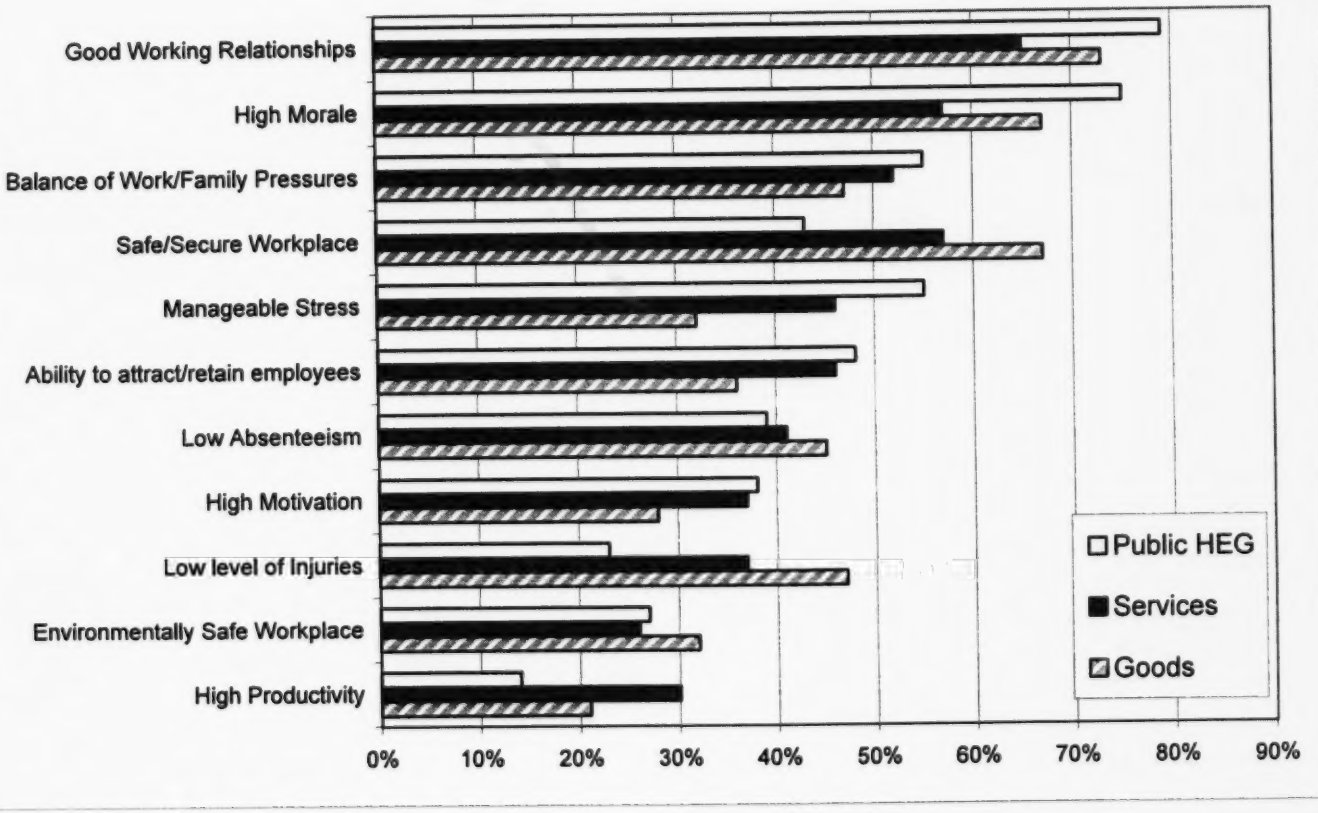


Chart 7: Healthy Workplace Indicators Reported by Management by Region (Top Five Overall)

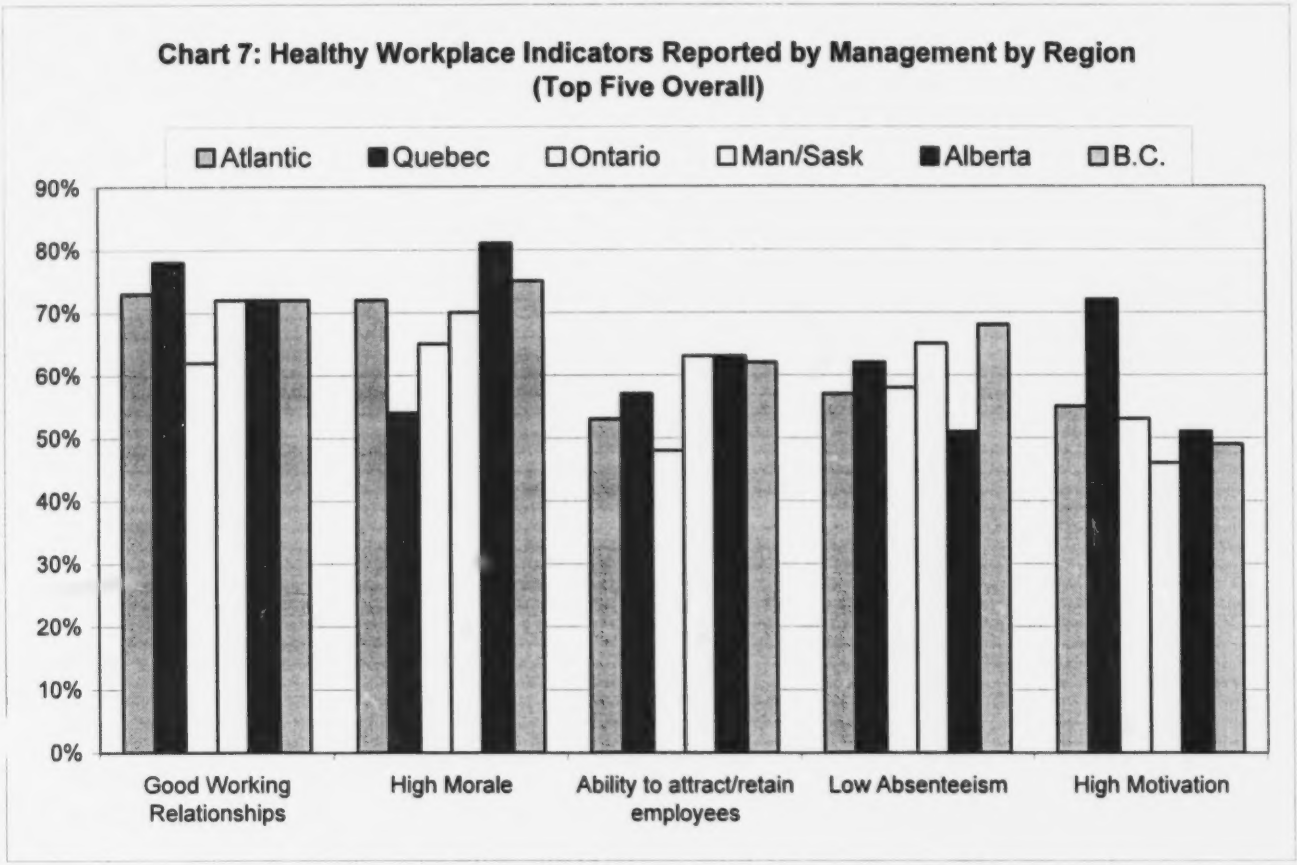
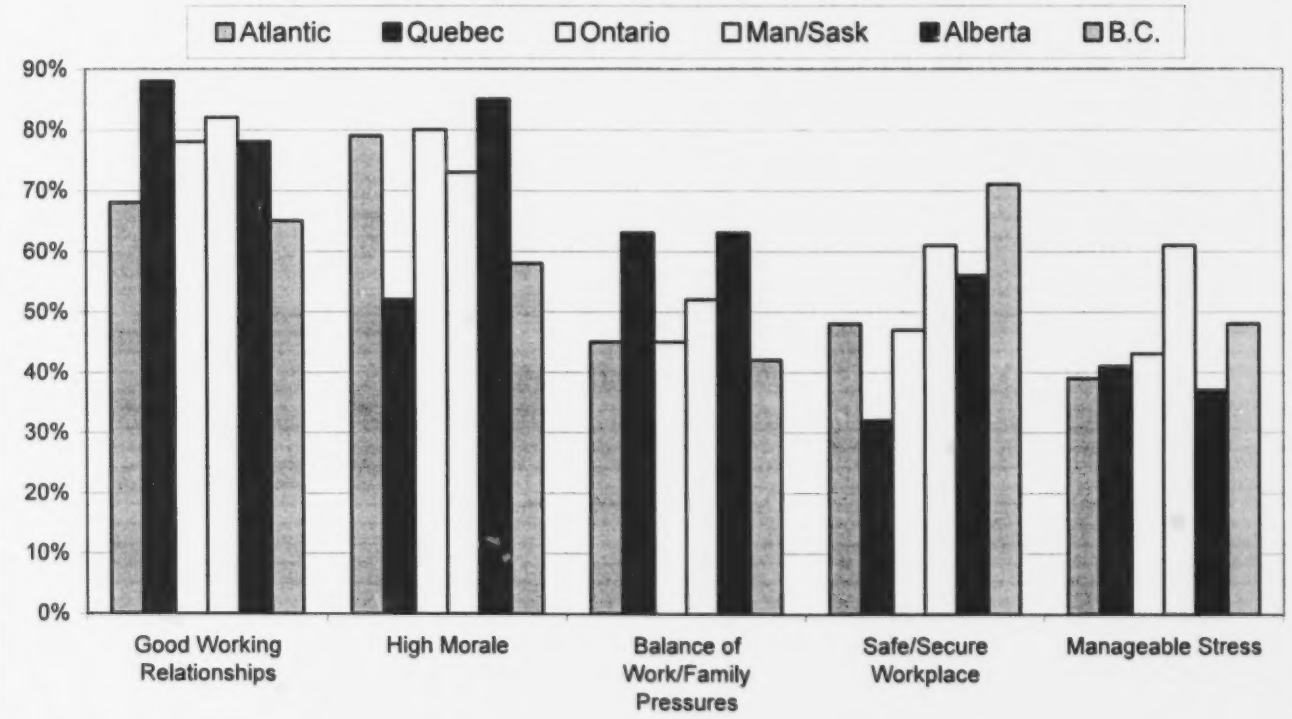


Chart 8: Healthy Workplace Indicators Reported by Labour by Region (Top Five Overall)



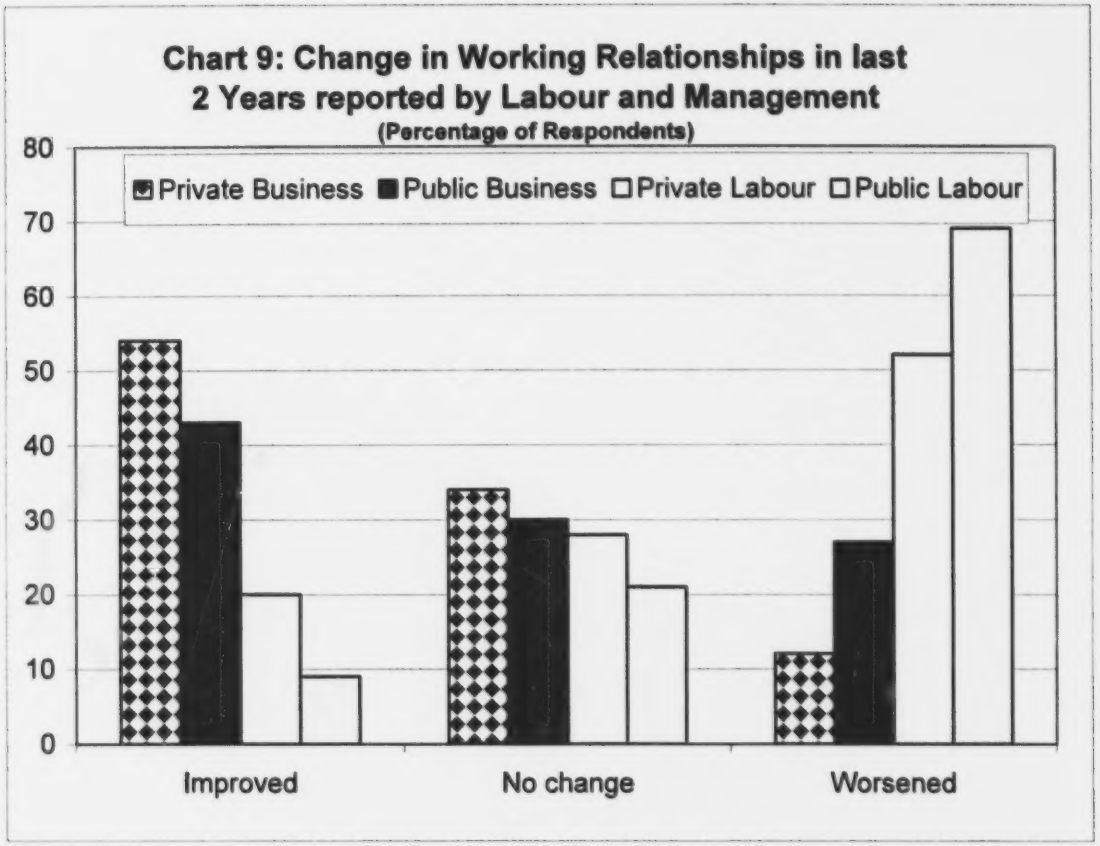


Chart 9: Change in Working Relationships in last 2 Years reported by Labour and Management
(Percentage of Respondents)
80
70
60
50
40
30
20
10
0
Private Business
Public Business
Private Labour
Public Labour
Improved
No change
Worsened

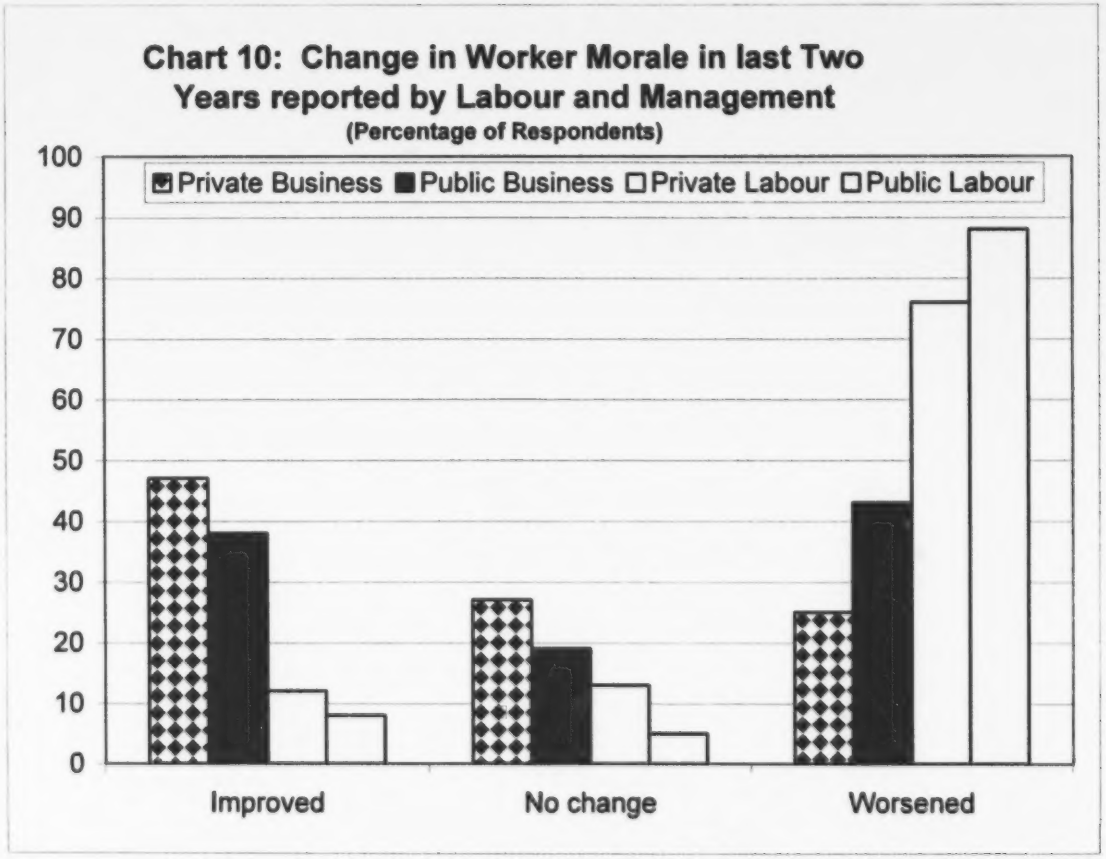
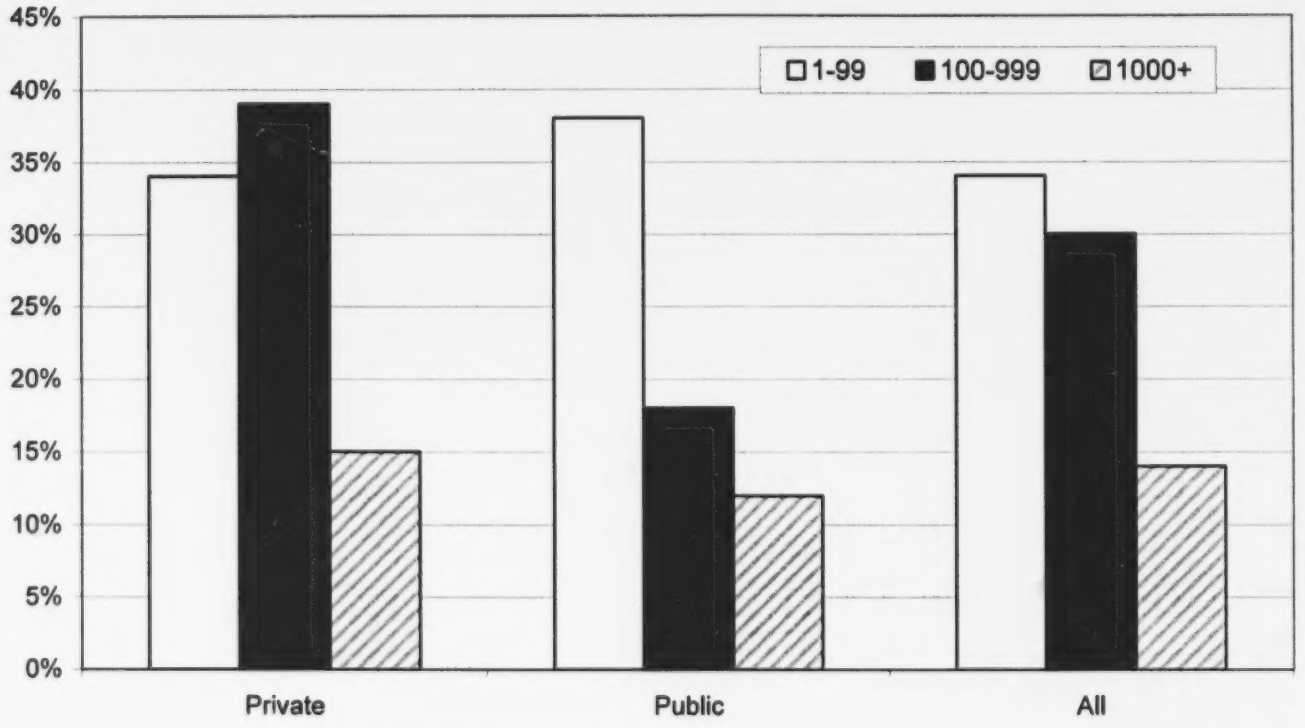


Chart 10: Change in Worker Morale in last Two Years reported by Labour and Management
(Percentage of Respondents)
Private Business
Public Business
Private Labour
Public Labour
100
90
80
70
60
50
40
30
20
10
0
Improved
No change
Worsened

Chart 11: Net Trends in Overall Workplace Health Reported by Management by Size of Organization

(Percentage of Respondents)



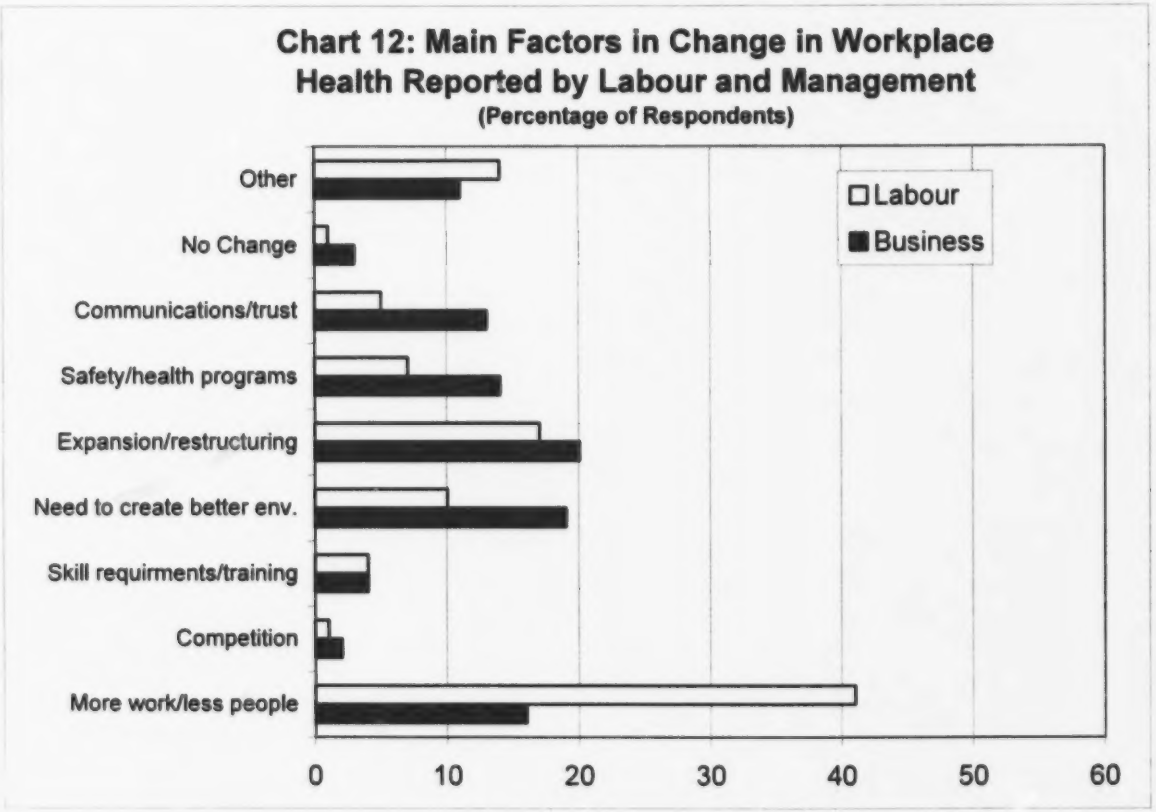


Chart 12: Main Factors in Change in Workplace Health Reported by Labour and Management
(Percentage of Respondents)
Other
No Change
Communications/trust
Safety/health programs
Expansion/restructuring
Need to create better env.
Skill requirments/training
Competition
More work/less people
Labour
Business
0
10
20
30
40
50
60

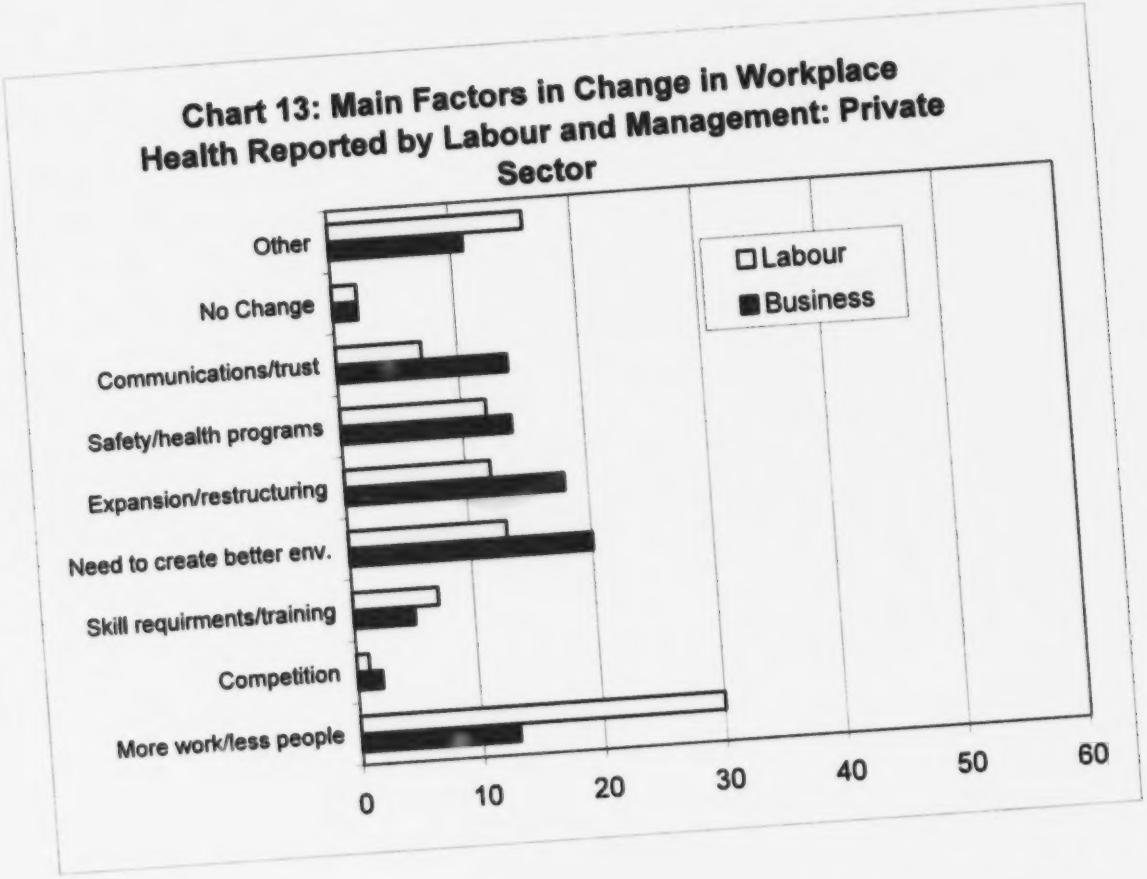
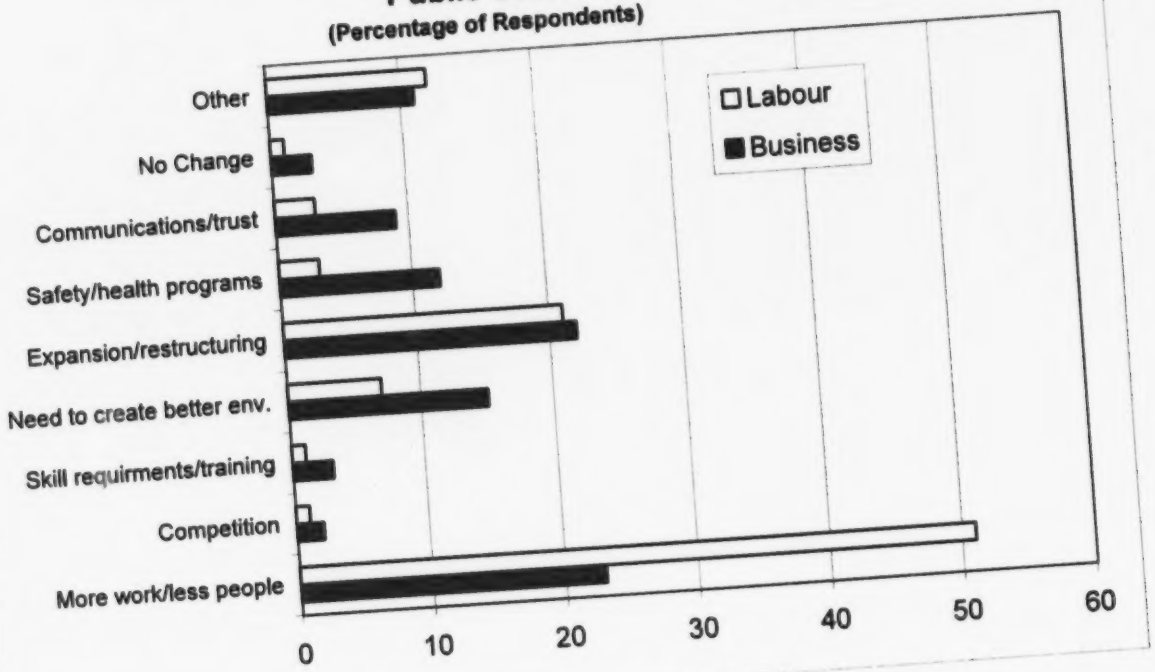


Chart 13: Main Factors in Change in Workplace Health Reported by Labour and Management: Private Sector
Other
No Change
Communications/trust
Safety/health programs
Expansion/restructuring
Need to create better env.
Skill requirments/training
Competition
More work/less people
Labour
Business
0
10
20
30
40
50
60

Chart 14: Main Factors in Change in Workplace Health Reported by Labour and Management: Public Sector

(Percentage of Respondents)



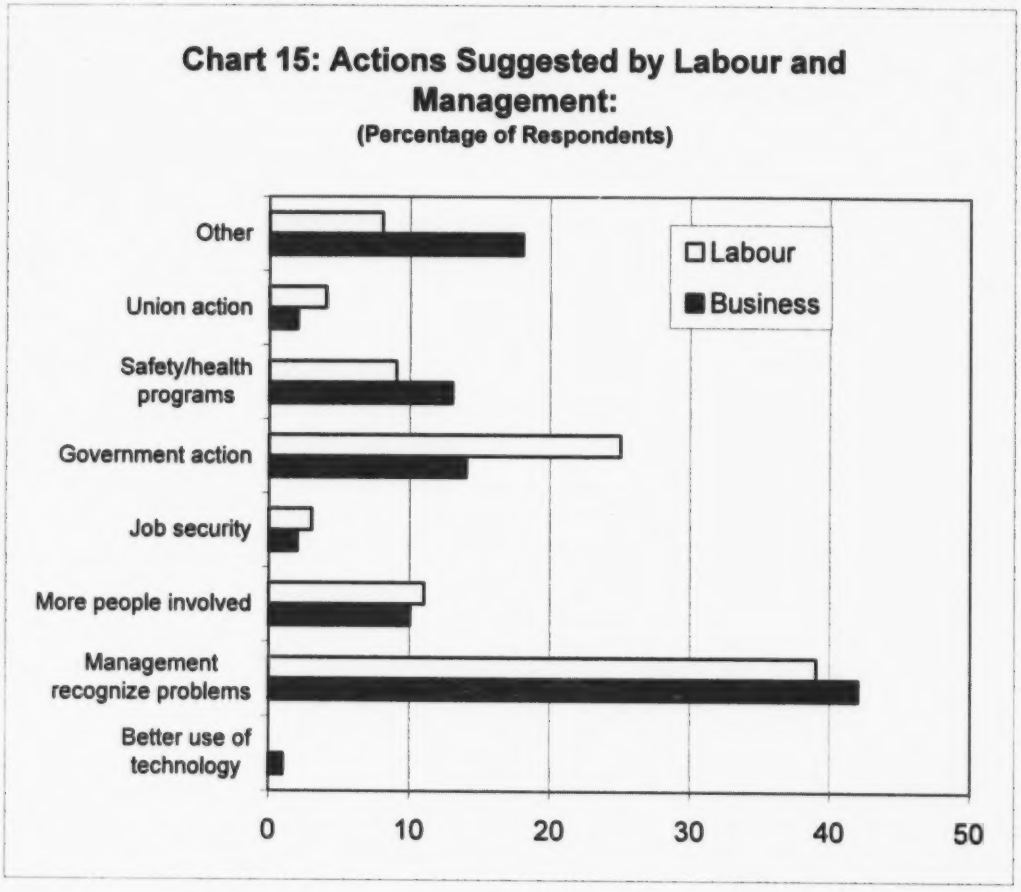


Chart 15: Actions Suggested by Labour and Management:
(Percentage of Respondents)
Other
Union action
Safety/health programs
Government action
Job security
More people involved
Management recognize problems
Better use of technology
Labour
Business
0
10
20
30
40
50

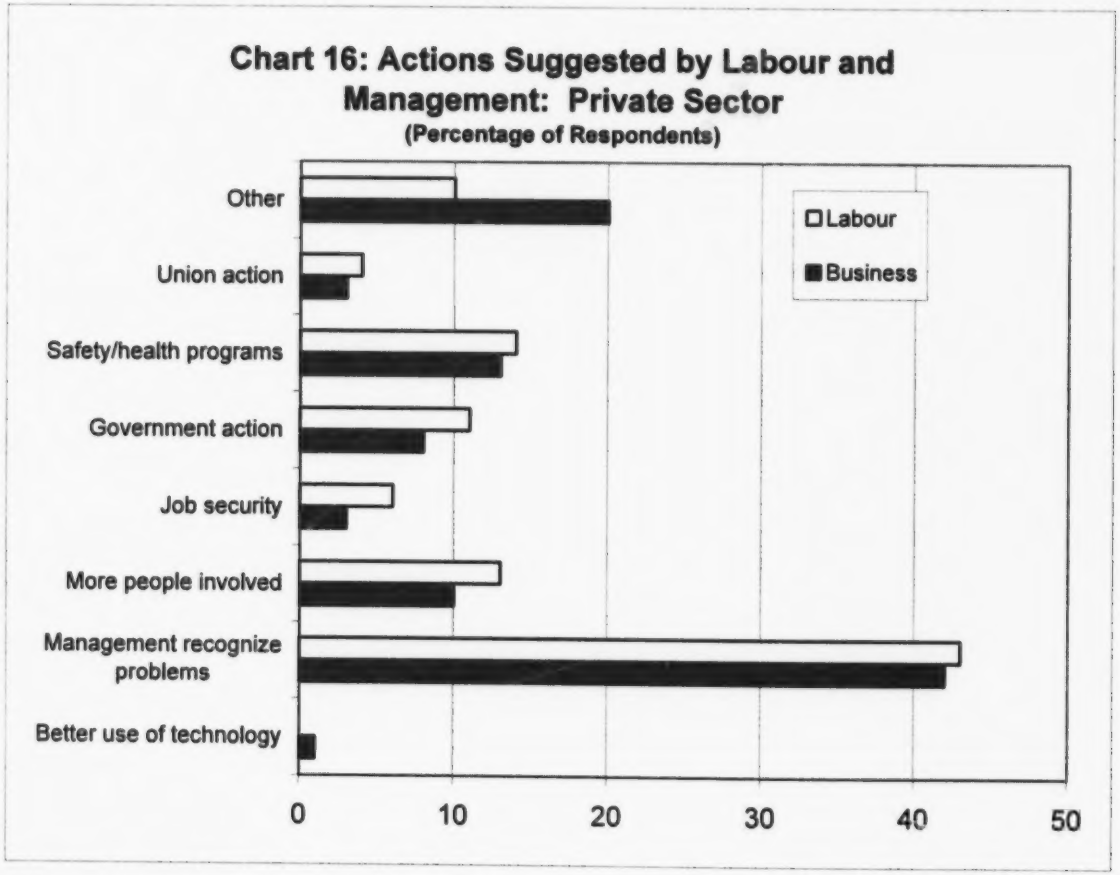


Chart 16: Actions Suggested by Labour and Management: Private Sector
(Percentage of Respondents)
Other
Union action
Safety/health programs
Government action
Job security
More people involved
Management recognize problems
Better use of technology
Labour
Business
0
10
20
30
40
50

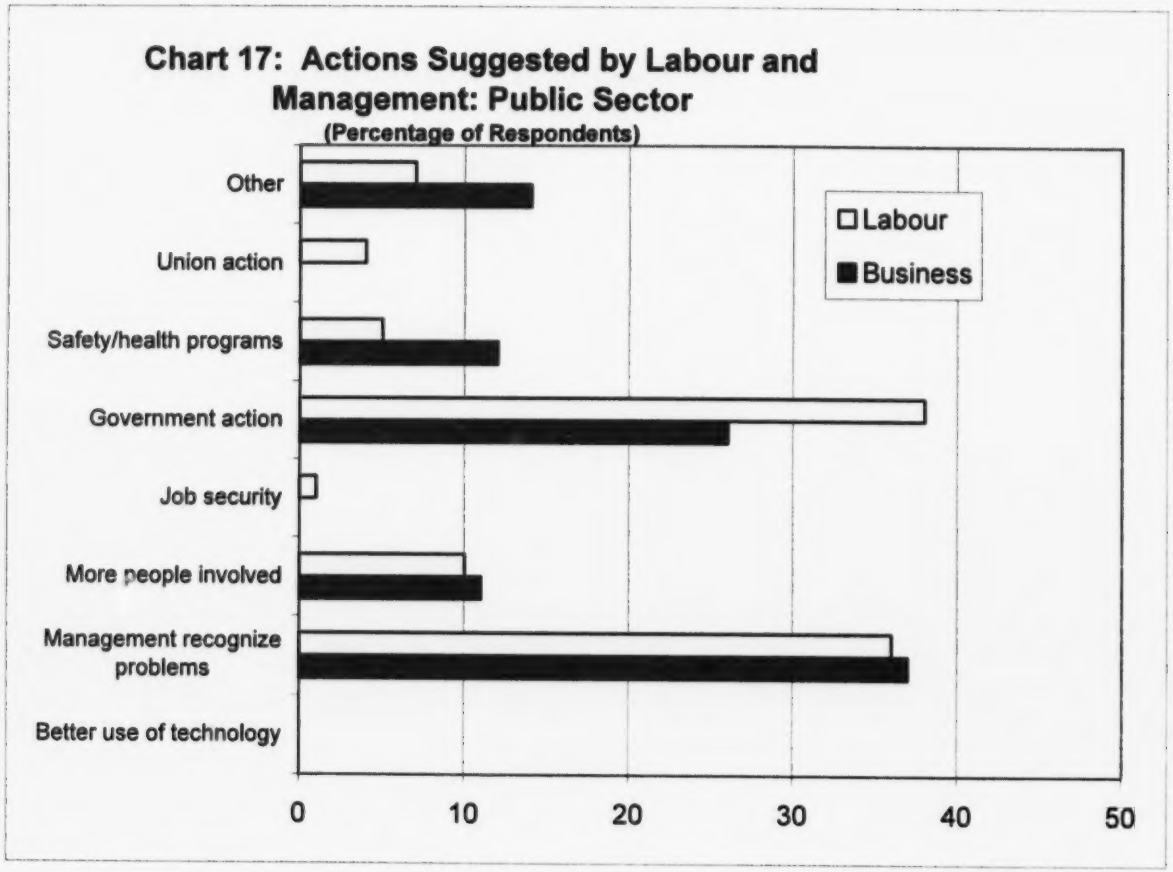


Chart 17: Actions Suggested by Labour and Management: Public Sector
(Percentage of Respondents)
Other
Union action
Safety/health programs
Government action
Job security
More people involved
Management recognize problems
Better use of technology
Labour
Business
0
10
20
30
40
50

VIEWPOINTS 2000

Serious Economic Issues and Policy Solutions

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Canadian Labour and Business Centre Leadership Survey: Serious Economic Issues and Policy Solutions

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EXECUTIVE SUMMARY

The third bi-annual Canadian Labour and Business Centre Leadership Survey of 4,442 private sector business leaders, public sector management, and private and public sector labour leaders was conducted between March and April 2000, and achieved a response rate of 18 percent. As in earlier surveys, this year's survey gathered respondents' views on (i) the seriousness of major economic and public policy issues facing the country, and on (ii) the public policy solutions which should receive more emphasis if these issues are to be addressed.

The survey provided not only a snapshot of constituency leaders' perceptions in 2000, but also insights into how these perceptions have changed since the first Leadership Survey in 1996. The responses to these questions on ***Serious Issues*** and ***Potential Solutions*** are summarized here.

SERIOUS ISSUES FACING THE ECONOMY

1. Top Priority Issues Continue to be Very Different

There continues to be a significant contrast between the top priority issues of management and labour. Both private and public sector labour respondents cite **Reduced Social Spending, Lack of Jobs, Unemployment Rate,** and **Environmental Degradation** among their top concerns. None of these issues ranks among those of most concern to management. In fact, all four issues are among those ranked lowest by management. In contrast, **High Taxes** was the single most significant issue for private sector managers, and **International Competitiveness** issues for public sector managers. Concerns about **Government Deficits/Debt, Brain Drain,** and **Shortage of Skilled Labour** constituted a second group of management issues.

2. Moderating Concern Over Broad Political and Macroeconomic Issues

Except for the issues of **High Taxes** and **Interest Rates**, respondents regarded most overall political and macroeconomic issues with noticeably less concern in 2000 than in 1996. In some cases, particularly **Uncertainties Regarding National Unity** and **Concern Over Lack of Jobs,** the decline in concern among all constituencies over this four-year period was marked. Three constituencies viewed **High Taxes** as a somewhat more serious problem in 2000 than in earlier years, although management's concerns over this issue remained much higher than those of labour. Labour respondents maintained earlier years' moderate concerns over **High Interest Rates**, while management respondents' concerns over this issue, very low in 1998, rose noticeably in 2000.

3. Convergence in Attitudes to Skill Shortage Issues

Skill Shortages continued to be a concern for the management respondents, and a source of increasing concern for labour. Private sector labour and management respondents, in fact, showed virtually identical levels of concern over this issue. This increased concern occurred against a backdrop of reduced concerns over many other economic and labour market-related issues.

POTENTIAL SOLUTIONS

As with their responses regarding the issues facing Canada, respondents from the four constituencies differed in terms of the priority they attached to various solutions.

The overall analysis points to the following broad conclusions:

1. Private Sector Business is Unique in its Top Policy Prescriptions

Private sector business respondents, alone among the four constituent groups, called for much less government involvement in their affairs. This was reflected in their top three potential solutions – **Lower Taxes, Reduced Government Spending,** and **Reduced Government Regulation.** In contrast, the three other constituencies agreed on two of their top three priorities – **Improving Education** and **Improving Workplace Training**. As a third priority, public sector managers chose **Increasing R&D**, while labour in both the public and private sectors pointed to the need to **Strengthen Social Security**.

The four constituencies shared a common second-tier set of priorities, which included **Increased Investment in Innovation**, and **Increased R&D.**

At the other extreme, all four constituent groups placed the need to **Increase Immigration** at the very bottom of their lists of solutions. This implies, for most constituencies, a 'made in Canada' solution to the important issue of skill shortages.

2. Management and Labour Differ on Strengthening Social Security and Reducing Work Time

Labour and management respondents held significantly differing views on the need to **Strengthen Social Security** or **Reduce Work Time**. For private and public sector labour respondents, **Strengthening Social Security** ranked among the foremost priorities, while for management respondents it ranked among the lowest priorities. Similarly, **Reduced Work Time** had the support of about 40% of labour respondents but only 10% of management representatives in the survey.

3. Management and Labour Maintain Past Years' Emphasis on Fiscal and Labour Market Measures

Comparing 2000 to 1998, all labour and management constituencies maintained or in some cases increased the priorities they attached to fiscal measures such as **Lower Interest Rates, Reduced Government Spending,** and **Lower Taxes.** On the question of **Lower Interest Rates,** the interest of private sector management rose sharply, approaching levels of priority expressed by labour.

Similarly, most management and labour constituencies maintained the priorities attached to **Improving Education, Improving Workplace Training,** or **Improving Labour/Management Relations.** Again, private sector management differed from the other constituencies by placing noticeably less priority on **Improving Education and Workplace Training** in 2000 than in 1998.

INTRODUCTION

The significant challenges facing the Canadian economy continue to evolve over time. International competition, in financial markets and in markets for products, services, and skills, increasingly shapes the Canadian economic environment. Unemployment has been reduced, and concerns over skill shortages are increasingly being voiced. Over the last several years, most governments have made painful fiscal adjustments and many are now weighing their options on how to apply budgetary surpluses.

These are among the many serious issues that must be addressed at both the national and provincial/territorial levels. The attitudes of business, labour and government leaders to issues such as these will colour the actions they take to deal with them.

These primarily economic issues ultimately affect workplaces in Canada, either directly or indirectly. In turn, they have important implications for both management and labour, as well as significant impacts on the relationships between these two workplace parties. As an independent organization which seeks to improve the dialogue between labour and business in Canada, Canadian Labour and Business Centre has sought to monitor these developments over time.

In March and April, 2000, the Centre surveyed over four thousand leaders from the business, labour and public sector (education, health, and government) communities to determine their perspectives on a range of issues related to:

- challenges facing the economy and potential directions for solution;
- the current state of labour/management relations in Canada;
- demographic issues and the labour market;
- 'Healthy Workplace' issues, and
- workplace practices.

In most of its questions, this survey repeated similar ones conducted in 1996 and 1998. It thus provides a point-in-time snapshot of constituency leaders' current perceptions of these issues, as well as an insight into how leaders' perceptions on these issues have evolved over the last four years. Some topics, notably the 'Healthy Workplace', were included in the 2000 Survey for the first time, so that no time series data are available for these subjects.

This report summarizes the 2000 Survey's findings regarding respondents' perceptions of the key economic issues facing Canada, and of the priority policy solutions required to address these. Separate releases will cover subjects related to workplace practices, demographic labour force questions, labour-management relations, and the Healthy Workplace.

It must be stressed that the focus is on respondents' *perceptions* of particular issues. A sense of the different perceptions among constituencies, and of how these perceptions are changing over time, can help explain changes in their attitudes and actions. In addition, exploring the factors which influence constituencies' perceptions can provide a basis for further dialogue among the constituencies themselves.

METHODOLOGY

In March and April 2000, Canadian Labour and Business Centre mailed 4442 survey questionnaires to business, labour and public sector leaders. The questionnaires were identical in content. By the end of April, 790 responses had been received, for an overall response rate of 18%. The mailings, responses, and response rates for individual constituencies were as follows:

Business leaders:	1966 sent; 345 returned; 18% response rate
Labour leaders:	2147 sent; 303 returned; 14% response rate
Public Sector leaders:	329 sent; 142 returned; 43% response rate

The intent of the survey was to identify the perspectives of opinion leaders from each constituency. Accordingly, respondents to the survey were identified as leaders and senior officers of their respective organizations. For individual constituencies, the identification of respondents was as follows:

Private Sector and Public Sector Labour: Questionnaires were sent to the executive officers of the Canadian Labour Congress, its affiliates, all provincial federations of labour, and major district labour councils. The Directory of Labour Organizations in Canada, published by the Workplace Information Directorate of Human Resources Development Canada, was a major source for these mailings. In the analysis and text that follows, responses were disaggregated into public sector labour and private sector labour.

Private Sector Business: Questionnaires were sent to lists of individuals provided by the Alliance of Manufacturers & Exporters Canada, the Canadian Chamber of Commerce, and the Canadian Construction Association. Each association list included its Board of Directors together with a selection of CEOs or Vice-Presidents of other important member companies. Some associations included members of their human resources or related committees. Regional representation was assured either through including the directors/members of associations' regional/provincial divisions, where they existed, or directly through a selection of member companies in certain regions, or both. In some regions, the sample was supplemented by inclusion of CEO's and/or Vice-Presidents from companies listed in a commercial database. In the analysis and text that follows, this constituency is also referred to as business and private sector management.

Public Sector Management: Questionnaires were sent to the presidents of Canadian universities and community colleges, the Board of Directors of the Canadian Health Association, and senior federal, provincial, and territorial government officials at the Deputy Minister/Assistant Deputy Minister level, with responsibility for employment, labour, or labour market matters.

SERIOUS ISSUES FACING THE ECONOMY

The survey gathered the views of leaders from four constituencies, i.e. private sector business, private sector labour, public sector management, and public sector labour. The analysis compares and contrasts the responses of all four constituencies to individual survey questions.

As in 1996 and 1998, respondents were asked to rate the seriousness of a number of national-level issues facing the economy. While responses spanned a wide spectrum, some issues were common among constituencies. The analysis first describes the profile of the priority issues perceived by the various constituencies, and then turns to examine how these priorities have shifted since the 1996 Survey.

1. Priority Issues in 2000 - Management and Labour Perspectives

Chart 1(a) presents the top priority issues listed by labour and management in the private sector. The length of the bars represents the proportion of each constituency's respondents who regarded the issue as a serious problem. Chart 1(b) presents the corresponding top issues of management and labour in the public sector.

Several broad observations emerge from these charts, as follows:

Management/Labour Differences

There is a significant contrast between the top priority issues of management and labour. **High Taxes**, by a wide margin, are the top priority for business (i.e. private sector management) and are the second priority of public sector management. **International Competitiveness** is the top priority of public sector management, and ranks among private sector business respondents' top four. **Skill Shortage** and **Brain Drain** issues also ranked among the top five priorities of both public and private sector management respondents. None of these issues ranks near the top of labour's priority concerns, although it is notable that almost 50% of private sector labour respondents showed concerns over **High Taxes**.

In contrast, both private and public sector labour respondents cite **Reduced Social Spending** as their top concern, with **Lack of Jobs** an overall second. **Environmental Degradation, International Trade Issues, Income Inequality** and **Unemployment Rate** levels were also of relatively high concern for labour respondents. Most of these issues appeared among those ranked lowest by management.

Labour/Management Similarities

For the most part, the very top priorities of labour and management do not overlap at all. The two constituencies, however, do agree on several issues which for each are moderate priorities (40% of each constituency regards them as very serious). For all four constituencies, these are **Skill Shortages** and **Brain Drain.** Labour and management in the private sector also share concerns about **High Taxes, International Competitiveness**, and **Lack of Consensus over Canada's Economic Priorities.**

2. *Priority Issues in 2000 – Public and Private Sector Perspectives*

Charts 2(a) and 2(b) again present the top priority issues identified by each of the four constituencies, but organize them so that private and public sector respondents' priorities are directly compared, first for management (Chart 2(a)) and then for labour (Chart 2(b)).

It is clear from Chart 2(b) that there is a high degree of consistency between the views of private and public sector labour respondents as to which issues are more or less serious. In very few instances do the proportions of each constituency who view an issue as serious differ by more than 10 percentage points. Where there are differences, private sector labour respondents tend to stress economic performance issues such as **Inadequate Investment, International Competitiveness,** or **Poor Productivity.** Public sector labour respondents, on the other hand, stress broader social issues and measures, such as **Income Inequality, Environmental Degradation,** and **Reduced Social Spending**. These differences, however, are differences of degree, and are not large. A quite consistent set of priorities characterizes the broad labour constituency.

On the management side, however, priorities differ more between the public and private sectors. Chart 2(a) compares private and public sector managers' views on serious issues. The chart shows that while there is broad similarity between the perspectives of public sector managers and private sector businesspersons, this consistency is not as high as on the labour side, and is marked in several cases by quite distinct differences of perception.

In particular, private sector business respondents reported a much higher level of concern than their public sector counterparts over the broad role of government, citing concerns over **High Taxes, Government Deficits/Debt,** and **Government Regulations.** Private sector business respondents were also much more inclined to view with concern some of the practical economic and labour market issues with which they had to deal on a regular basis. These included concerns over **Brain Drain, High Labour Costs, Poor Productivity** and **High Interest Rates**.

In contrast, public sector management respondents laid relative stress, compared to their private sector colleagues, on more social issues such as **Reduced Social Spending** and **Environmental Degradation.** The **Quality of Workplace Training** was also of greater concern to public sector management respondents.

A final point to note is the public/private sector differences in perception on the importance of a **Lack of National Consensus on Economic Priorities**. On both the labour and management sides, especially the latter, private sector respondents shared a higher level of concern on this issue than their public sector colleagues. From a private sector perspective, it appears that there is still less overall agreement on this issue than public sector respondents perceive.

3. *Changes in Perceptions, 1996-2000 — Overall Political and Macroeconomic Issues*

Between 1998 and 2000, respondents continued to moderate their views of the seriousness of most overall political and macroeconomic issues, maintaining trends begun between 1996 and 1998. On virtually all issues covered in the survey, overall levels of concern were lower in 2000 than in 1996 among most constituencies.

The notable exception to this overall movement was respondents' views on **High Taxes**. On this issue, concerns increased slightly for most constituencies, reflecting a continuing debate around the impacts of taxes on Canadian competitiveness. For all constituencies except private sector labour, levels of concern on this issue stood at the same or higher levels than in 1996. At the same time, between 1998 and 2000, there was an increase in concerns around **Interest Rates**, especially among management respondents, reflecting their view of potential interest rate movements in the context of a rapidly growing economy. Between 1998 and 2000, most constituencies' views of the seriousness of **Government Deficits/Debt** remained largely unchanged, in spite of many jurisdictions' moves to deal with these issues.

Chart 3 shows how the proportions of respondents who perceived these issues as serious problems changed between 1996, 1998, and 2000.

It is apparent from the chart that almost universally, in each of the four constituencies, the proportion of respondents viewing these issues as serious problems has declined steadily since 1996. In some cases, the decline was marked, especially in constituencies' concerns over **National Unity** and **Lack of Jobs.** However, for the most part the direction of change since 1996 has been similar among all constituencies.

Of parallel interest is the fact that on several issues, the views of labour and business respondents appear to have converged somewhat, while on others they have diverged. Thus, the four constituencies were much closer together in 2000 than in 1996 in terms of their concerns over **Government Deficits/Debt, National Unity**, and **High Interest Rates.** In contrast, they are further apart in their perspectives on **Lack of National Consensus on Economic Priorities** and **Lack of Jobs.**

This convergence or divergence may signal the issues on which future debates between the constituencies may occur, with less of a focus, perhaps, on deficits/debt or national unity, and more of a focus on broader economic priorities and job creation.

4. *Changes in Perceptions, 1996-2000 – Labour Market Issues*

Chart 4 illustrates how the proportions of respondents who viewed individual labour market issues as serious problems changed between 1996, 1998, and 2000.

It is clear from the chart that in every constituency except public sector management, levels of concern over **Skill Shortages** were higher in 2000 than in 1998 or 1996, particularly among Private Sector labour respondents. Private Sector labour and business respondents now express the same degree of concern over this issue – a notable convergence from 1998. The **Skill Shortages** issue remains a major concern of all constituencies.

It is therefore somewhat surprising that when assessing both the **Quality of Education** and the **Quality of Workplace Training**, all four constituencies consistently reported lower levels of concern in 2000 than two years earlier. In view of the increase in concern over **Skill Shortages**, the reduced concern over education and training is notable. It suggests that respondents do not make a strong link between skill shortages and education or training quality, implying instead that other factors may be stronger contributors to skill shortages.

5. *Changes in Perception, 1996-2000 – Labour/Management Relations and Productivity Issues*

Canadian Labour and Business Centre links labour/management relations directly to productivity. It is the view of the Centre that unless labour/management relations are constructive, it is very difficult to bring about increases in productivity. Thus these issues are examined together.

Chart 5 shows how the proportions of respondents who viewed these labour/management and productivity-related issues as serious problems changed over the years 1996, 1998, and 2000.

The chart presents some potentially significant differences of viewpoint.

First, it is clear that for management respondents in both the private and public sectors, there was increased concern in 2000 over Canada's **International Competitiveness.** At the same time, both constituencies also expressed increased concern over **High Labour Costs**, and the private sector business respondents increased somewhat their concern over **Poor Productivity**. It is clear that on the management side, there is a growing stress on competitiveness and productivity, accompanied by a sense that as the labour market tightens, labour costs may affect performance on these fronts.

Labour views on most of these issues stood in sharp contrast to those of management. While private sector labour respondents shared their management counterparts' concerns over **Poor Productivity**, overall labour perspectives on **High Labour Costs** and **International Competitiveness** changed little from the relatively low levels of earlier years.

The labour and management constituencies continued to differ in their views on **Labour/Management Relations,** with no appreciable change in relative perceptions. Thus about half of the labour respondents and about 20 per cent of the management respondents continued to view this issue as one of high importance, with little change of perception from earlier years.

POTENTIAL SOLUTIONS

As with their responses regarding the issues facing Canada, respondents from the four constituencies differed in terms of the priority they attached to various solutions.

The overall analysis points to three broad conclusions, as follows:

1. Priority Solutions in 2000

Chart 6(a) presents the top proposed solutions listed in the 2000 Survey by management and labour in the private sector. The length of the bars represents the proportion of each constituency's respondents who felt the proposed solution needed greater emphasis. Chart 6(b) presents the corresponding top proposed solutions of management and labour in the public sector. Charts 6 (a) and (b) identify significant differences and similarities in respondents' views of the degree of emphasis which particular solutions require.

Differences in Priority Solutions

The four constituencies diverge markedly on the relative emphasis they feel should be given to many measures. Significantly, among labour respondents, the private and public sector labour leaders are in complete agreement on four priority areas for solutions, namely **Improve Workplace Training, Improve Education, Strengthen Social Security** and **Improve Labour/Management Relations**. For labour respondents, these four priority solutions stand out from all others; all four were cited by over 70% of labour respondents as needing more attention. They reflected labour leaders' concerns, expressed earlier, over the quality of workplace training and labour/management relations, as well as over income inequality.

These solutions differ, although not completely, from those emphasized by management. Within management, two distinct sets of policy priorities were expressed. On the one hand, private sector management respondents clearly sought to reduce the overall role of government; their top three policy priorities were to **Reduce Taxes, Reduce Government Spending,** and **Reduce Government Regulation**. On the other hand, the top four policy priorities of public sector management included none of these; rather, public sector managers pointed to a need to **Improve Education and Workplace Training, Increase R&D,** and **Increase Investment in Innovation**. For these respondents, **Reducing Taxes, Government Spending,** and **Government Regulation** ranked further down the priority list. In this regard, the public sector managers shared several priorities with the labour community.

Similarities in Priority Solutions

Despite these differences, two policy areas were ranked as requiring greater attention by over 60% of the respondents in every constituency. This degree of support suggests a strong degree of consensus and concern in these areas. These are **Improve Education**, and **Increase Research and Development**. Significantly, these two policy solutions also drew similar broad support in 1998. The first of these solutions directly reflects respondents' continuing perceptions of the seriousness of education issues, described in an earlier section. The second, however, is somewhat more surprising in view of the only moderate significance attached to issues of investment or innovation in the earlier

analysis. The stress on **Research and Development** may in fact be linked to broader concerns over Canada's international competitiveness, which for most constituencies was a priority issue.

2. Changes in Priority Solutions, 1996-2000 – Fiscal Measures

Chart 7 shows, for each constituency, how the proportion of respondents who felt that particular fiscal solutions required more emphasis changed over the period 1996, 1998, and 2000.

The continuing economic expansion which Canada has experienced in the last year has brought with it some interest rate increases, which in turn has prompted private sector business respondents to suggest that lowering interest rates be given greater attention. The proportion of private sector business respondents citing **Lower Interest Rates** as an area for greater attention doubled between 1998 and 2000, from 15% to 31%. Among other constituencies, however, there was no similar increase in concern in this area; for most constituencies the priority for reduced interest rates remained about the same as, or even slightly lower than, 1998. It must be noted, of course, that the labour constituency continued to place a greater priority on lower interest rates than the management respondents, even in spite of the increased private sector business concern.

Despite governments' continuing efforts at **Reducing Government Spending** since 1998, most constituencies maintained, or even slightly increased, their support for this as a policy solution in 2000. Policies implemented to date do not appear to have reduced the priority many constituencies attach to these activities. Over the longer horizon, the success of government spending restraint meant that most respondents in 2000 attached less priority to this than they had four years earlier. Nevertheless, private sector business respondents continued to be by far the most insistent of the constituencies in promoting this as an important policy direction, while public sector labour representatives were least so. Private sector labour and public sector management respondents attached the same level of importance to reduced government spending – a notable convergence of view from 1996, when there was an almost 20 percentage point difference in their views.

Management and labour respondents continued to differ on their views regarding **Lower Taxes**. The former, especially private sector business respondents, continued to give relatively high priority to lowering taxes, while labour respondents emphasized tax solutions to a much smaller degree. These perspectives changed very little since 1998. On the labour side, however, since 1996 there has been some convergence of view between public and private sector labour respondents on the importance of lowering taxes.

3. Changes in Priority Solutions, 1996-2000 – Labour Market Measures

Chart 8 illustrates how the proportions of respondents who felt that particular labour market solutions required more emphasis changed between 1996, 1998, and 2000.

The responses to this question are best viewed in the context of respondents' earlier attitudes to **Skill Shortages** and the seriousness of the **Quality of Education** and **Workplace Training**. Here it will be recalled that concern over skill shortages rose for

most constituencies between 1998 and 2000, while concerns about the quality of education and workplace training tended to decline.

Thus it is not surprising that between 1998 and 2000, there were mixed movements in constituencies' views of the priority they would ascribe to **Improving Education** and **Improving Workplace Training.** In this period, labour and public sector management constituencies maintained or slightly increased the priority they would ascribe to these solutions, while private sector business respondents appeared to place less emphasis on both.

Notwithstanding the very small shifts in attitude to these policy issues, it was notable that private sector business perspectives on the importance of these solutions have now diverged somewhat from those of other constituencies. While the other three constituencies were very close to one another in their views of the priority of these policy approaches in 2000, private sector business stood noticeably lower on both counts. It appeared that in 2000, the private sector business view returned to its 1996 levels, after a slight increase in 1998.

Constituencies' views on the priority to be ascribed to **Promoting Alternative Work Arrangements** and **Improving Labour/Management Relations** remained virtually unchanged from 1998. Higher proportions of labour respondents than management respondents continued to favour both policy solutions, and it was clear that perspectives in this regard have remained quite stable since 1998. Within each of the broader business and labour constituencies, there were no perceptible private sector/public sector differences on the question of **Improving Labour/Management Relations.** In terms of **Promoting Alternative Work Arrangements,** however, it was clear that the public sector component favoured such arrangements more than the private sector component.

Chart 1(a): Private Sector Labour and Management Views on Major Issues
(percentage of respondents who viewed issue as 'serious problem')

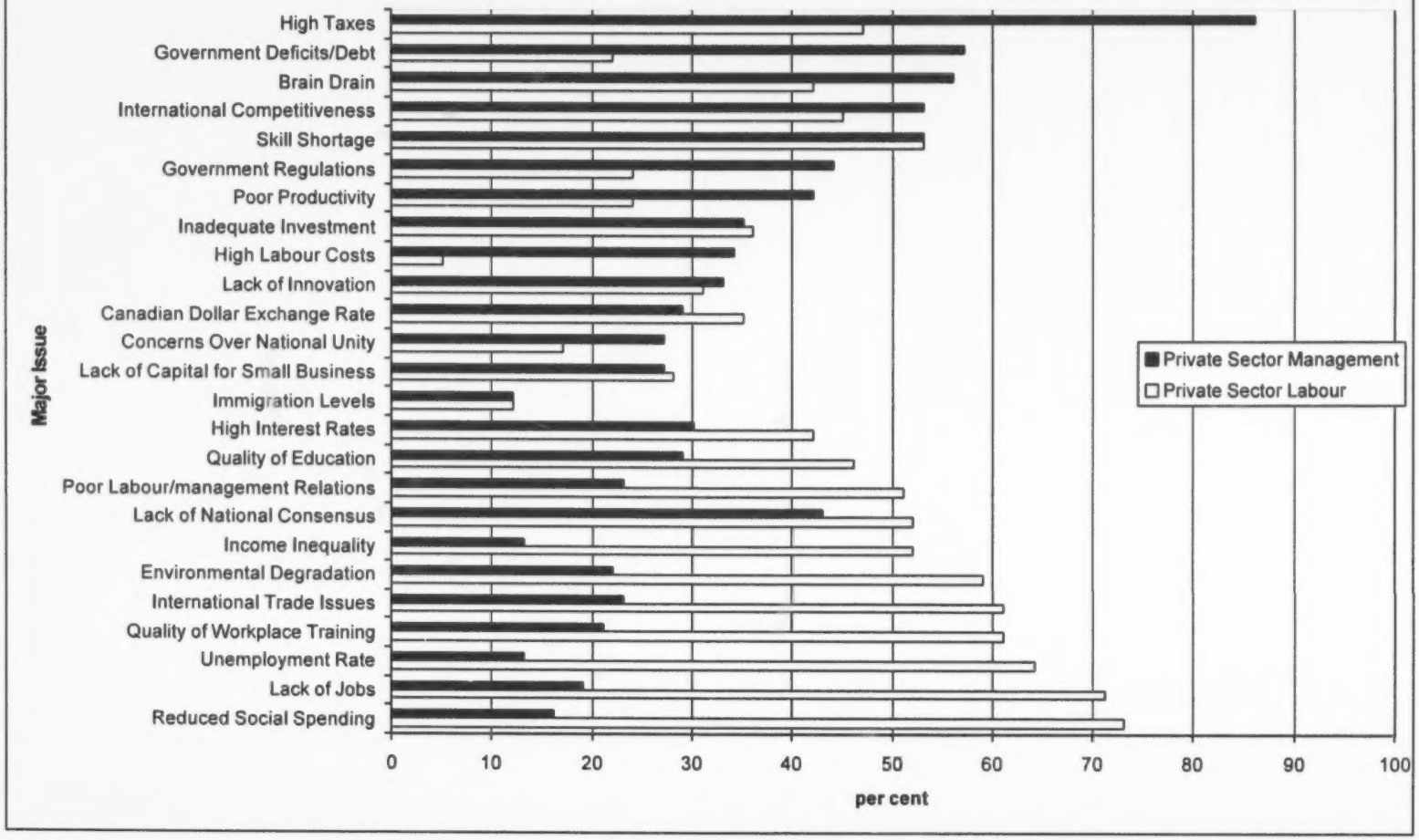

Chart 1(b): Public Sector Labour and Management Views on Major Issues

(percentage of respondents who viewed issue as 'serious problem')

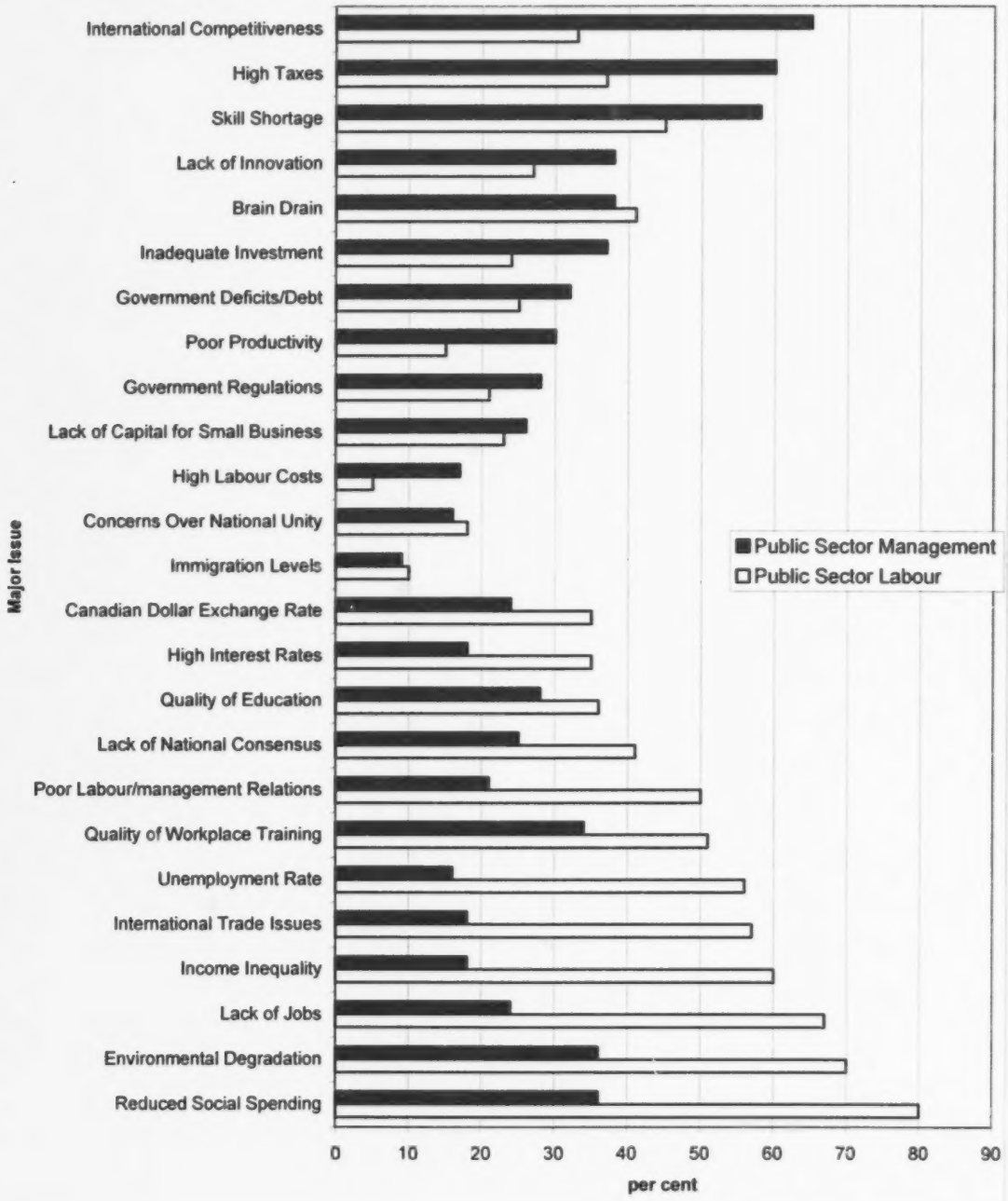

Chart 2(a): Private and Public Sector Management Views on Major Issues
(percentage of respondents who viewed issue as 'serious problem')

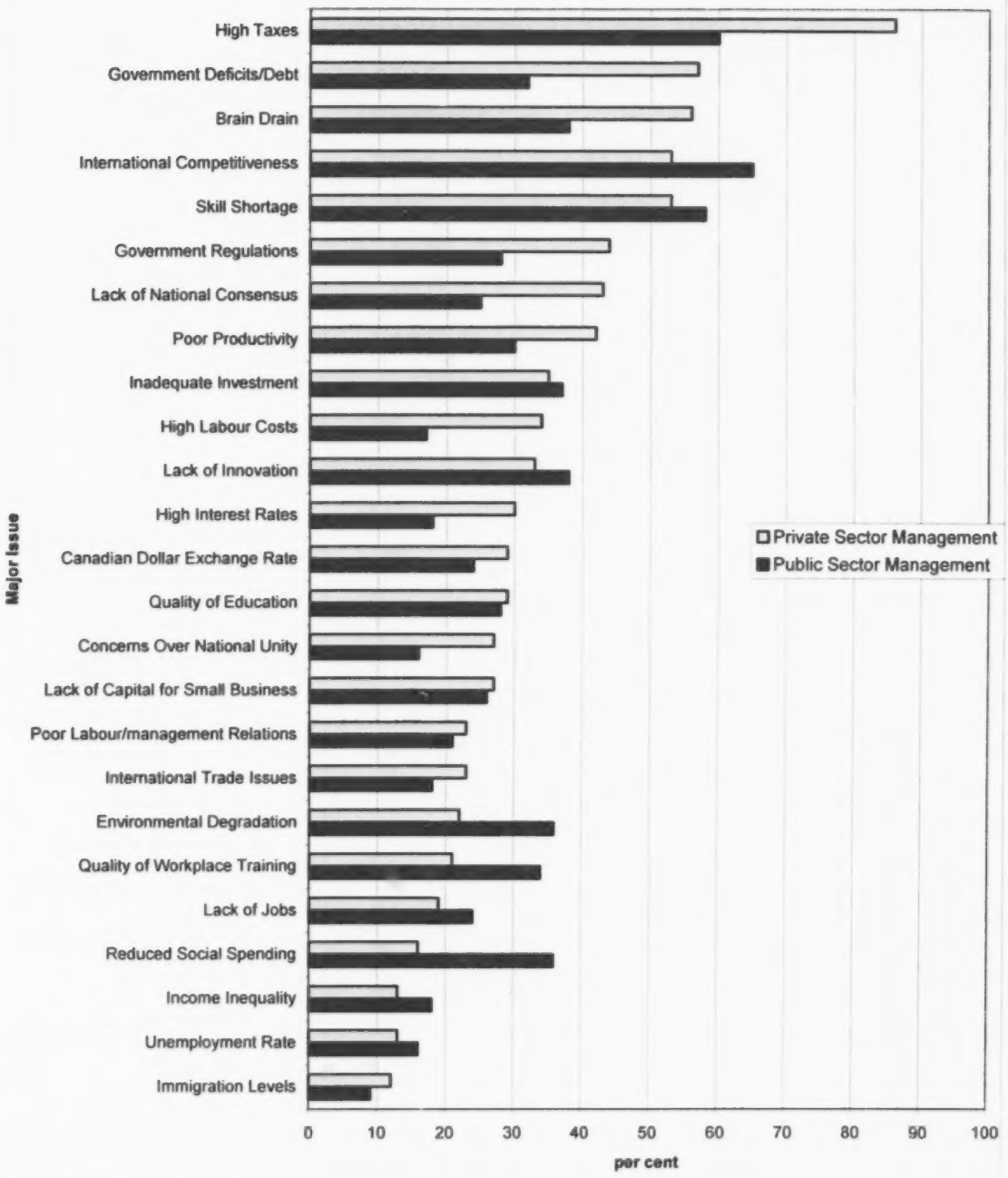

Chart 2(b): Public and Private Sector Labour Views on Major Issues
(percentage of respondents who viewed issue as 'serious problem')

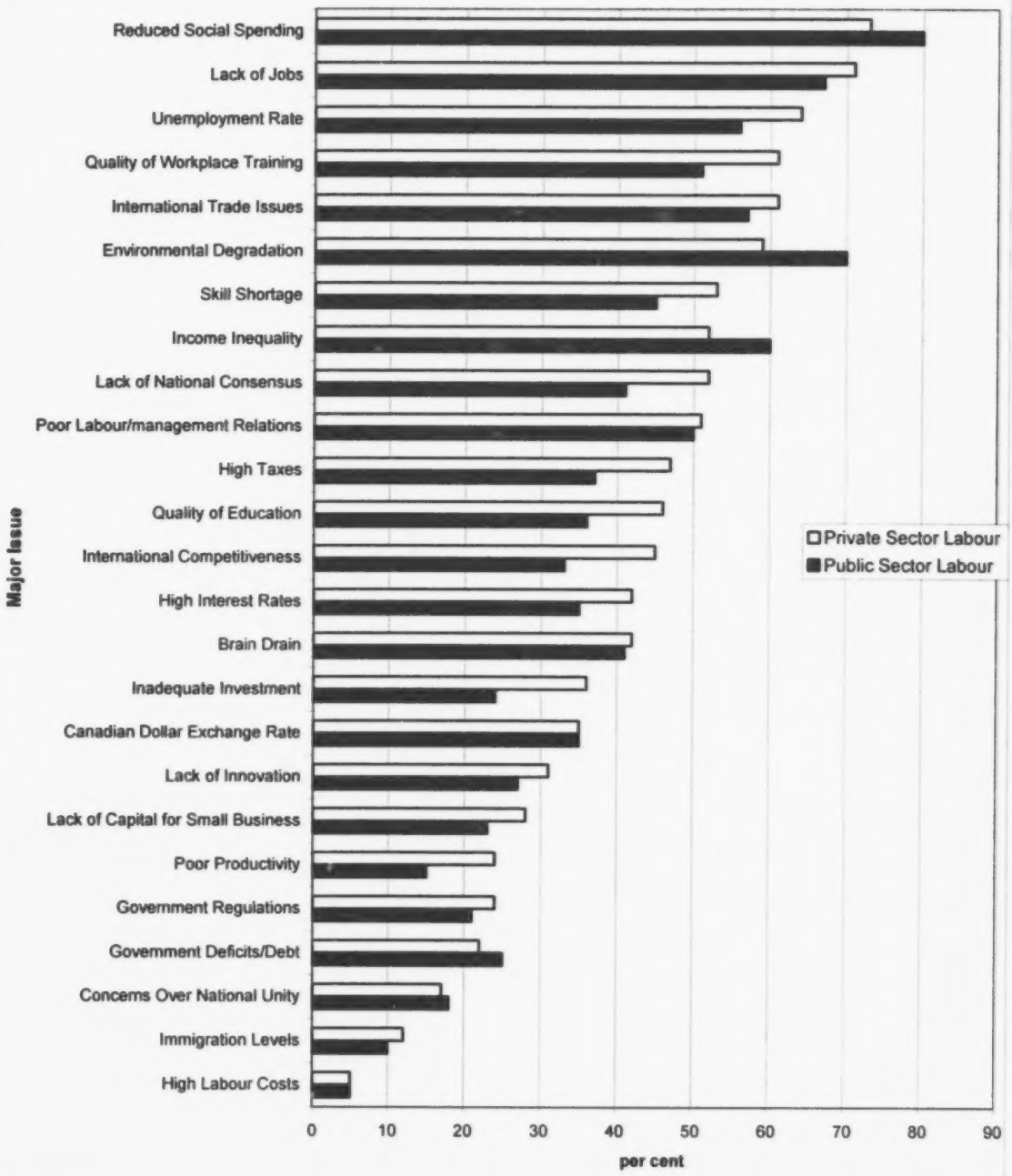

Chart 3: Changes in Perceptions, 1996, 1998, and 2000:
Overall Political, Economic and Environmental Issues
(Percentage of respondents who viewed issue as a 'serious problem')

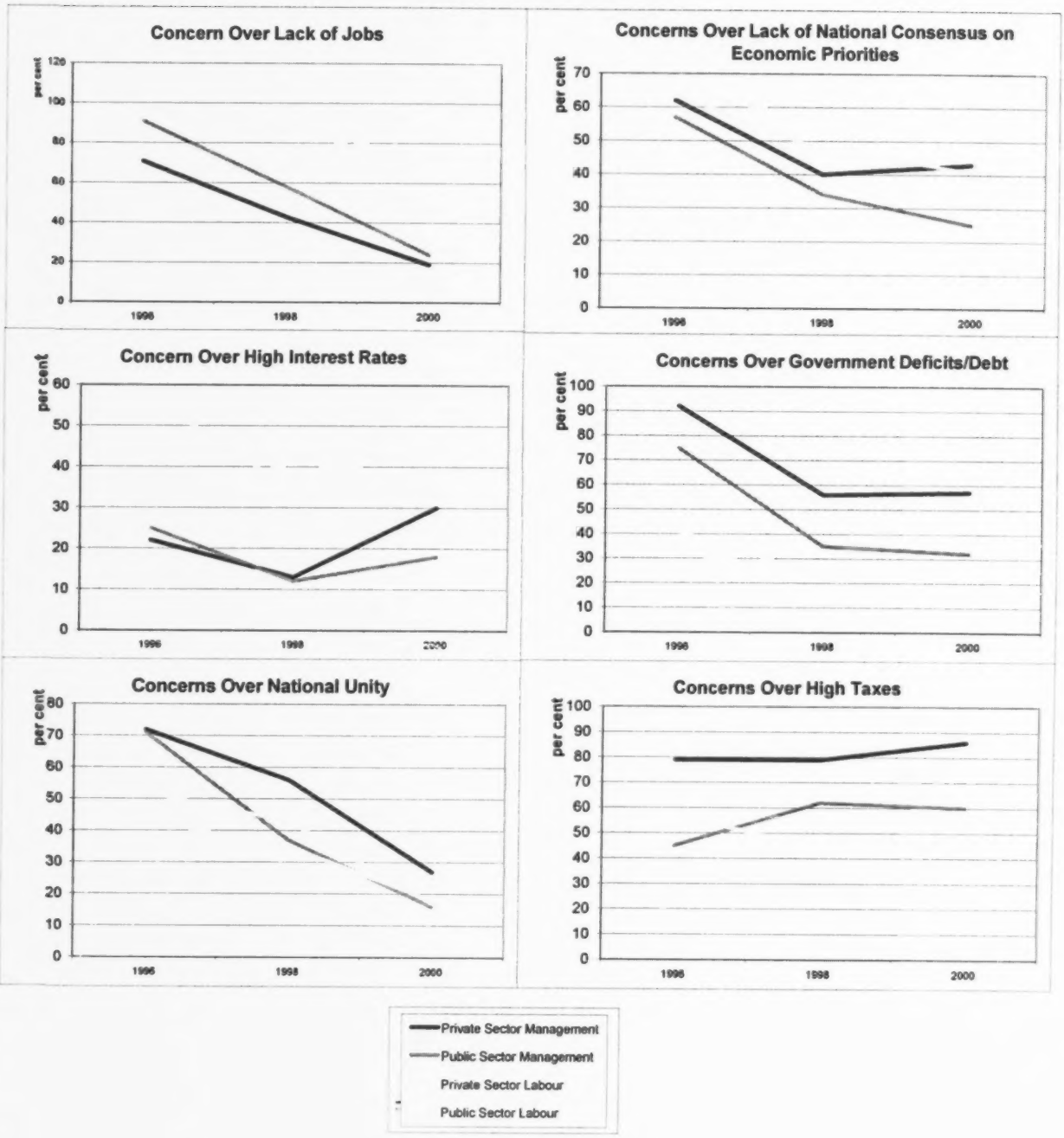

Chart 4: Changes in Perceptions, 1996, 1998, 2000
Labour Market Issues
(percentage of respondents who viewed issue as a 'serious problem')

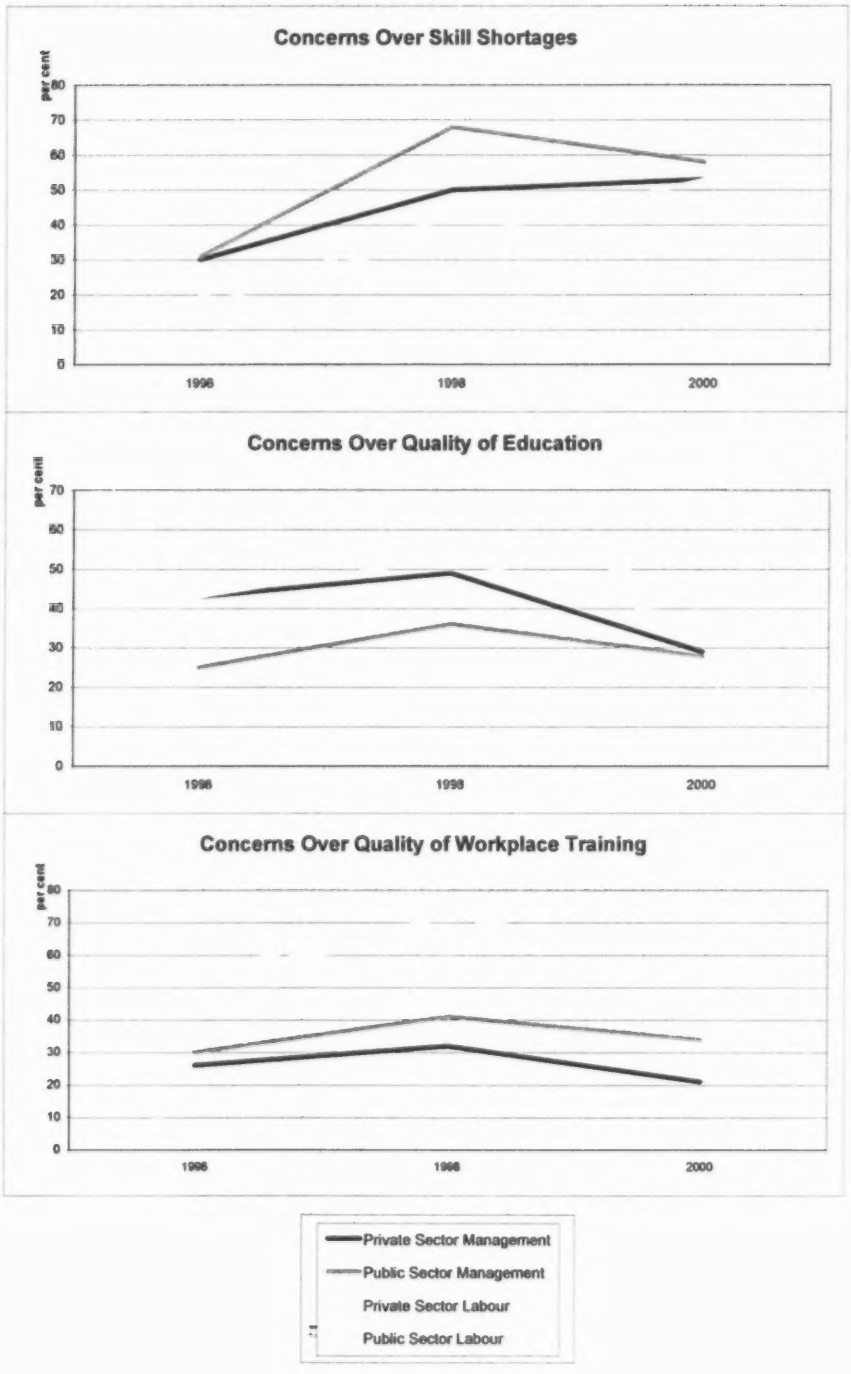

Chart 5: Changes In Perceptions, 1996, 1998, 2000
Labour/Management Relations and Productivity Issues
(percentage of respondents who viewed issue as 'serious problem')

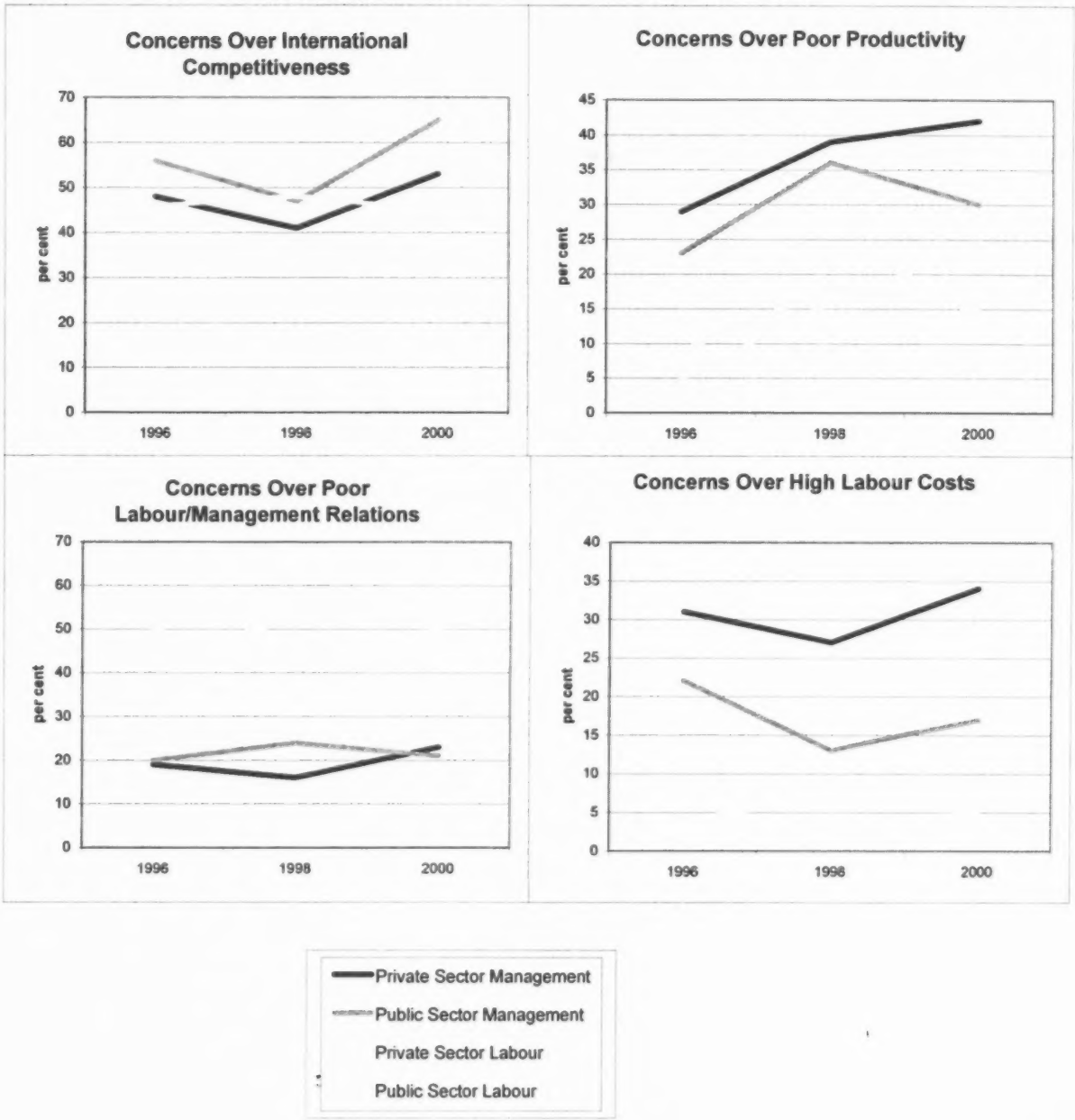

Chart 6(a):Priority Private Sector Solutions to Issues Facing the Economy

(percentage of respondents who felt solution needs more emphasis)

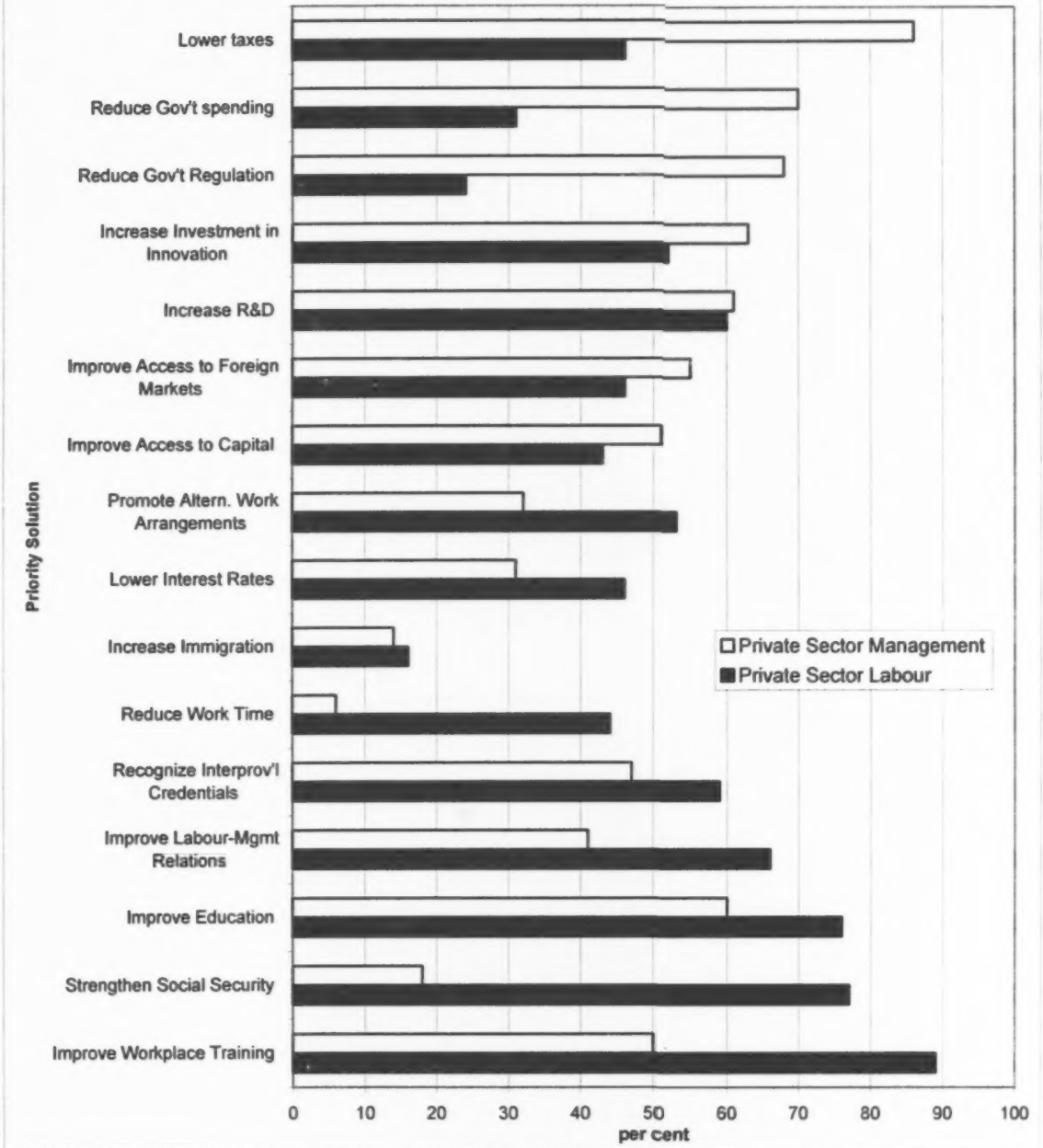

Chart 6(b): Priority Public Sector Solutions to Issues Facing the Economy

(percentage of respondents who felt solution needs more emphasis)

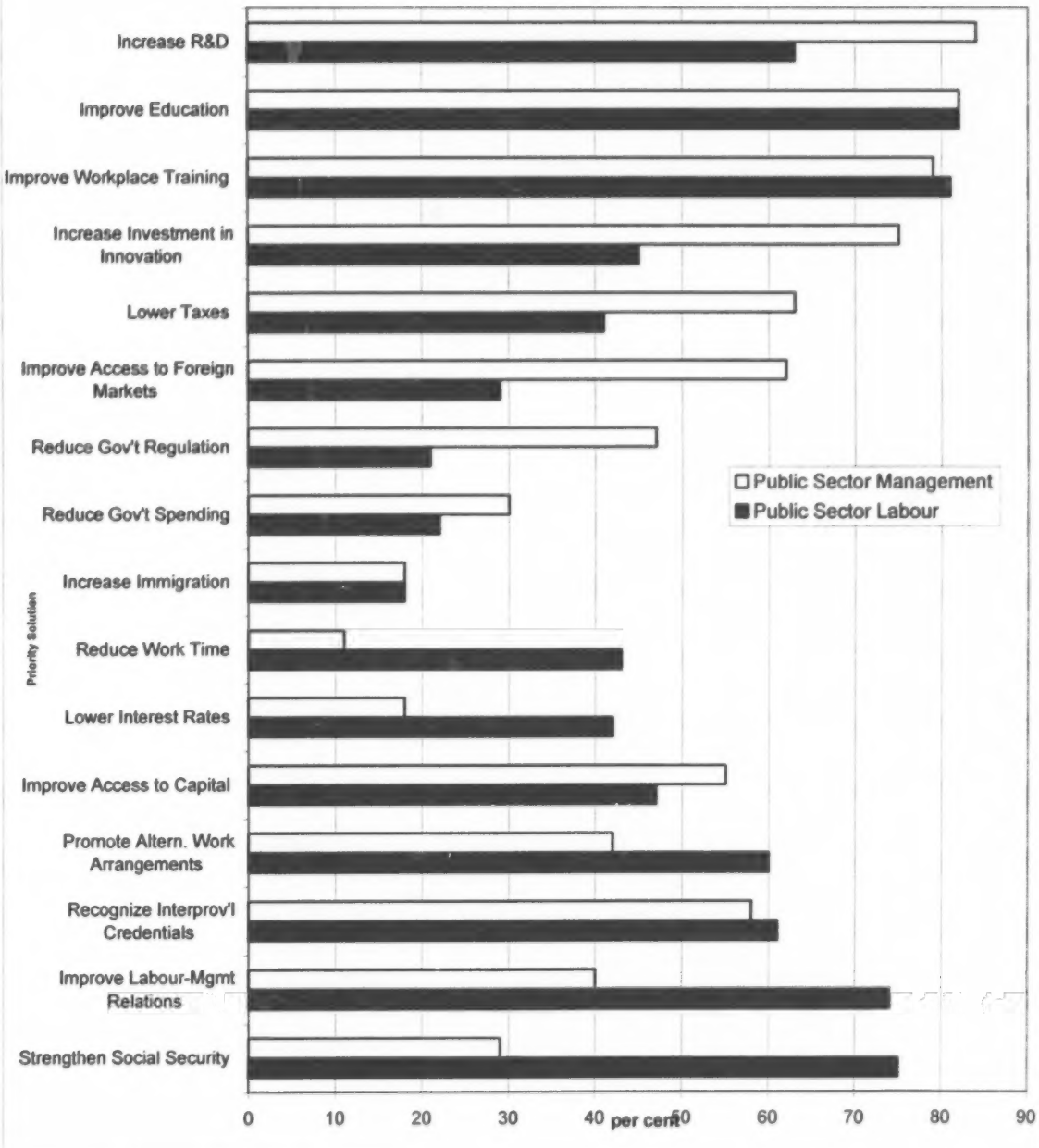

Chart 7: Changes in Priority Solutions, 1996, 1998, 2000: Fiscal Measur
(percentage responding that potential solution needs more emphasis)

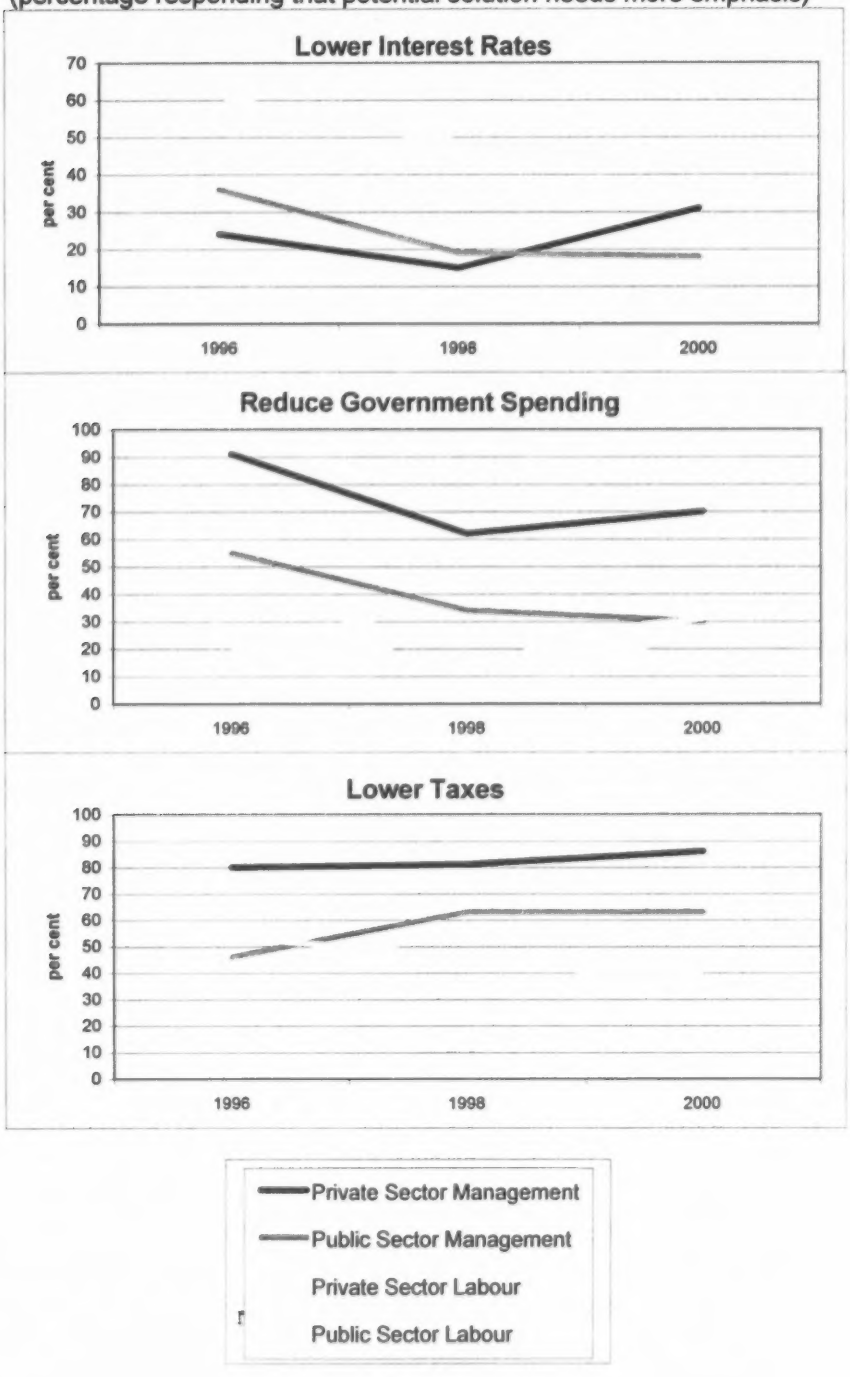

Chart 8: Changes in Priority Solutions, 1996, 1998, 2000: Labour Market Measures
(percentage responding that potential solution needs more emphasis)